

Association for Postal Commerce

"Representing those who use or support the use of mail for Business Communication and Commerce"

"You will be able to enjoy only those postal rights you believe are worth defending."

1800 Diagonal Rd., Ste 320 * Alexandria, VA 22314-2862 * Ph.: +1 703 524 0096 * Fax: +1 703 997 2414

Postal News for April 2014

April 30, 2014

Wall Street Journal: The U.S. economy nearly stalled in the first quarter as weakness overseas hurt exports and frigid weather curtailed business investment. Gross domestic product, the broadest measure of goods and services produced across the economy, grew at a seasonally adjusted annual rate of 0.1% in the first quarter, the Commerce Department said Wednesday. That matched the second-weakest quarterly reading of the nearly fiveyear-old economic recovery. Economists surveyed by The Wall Street Journal had forecast growth at a 1.1% pace for the quarter.



Save the Post Office: Postal watchdog Douglas Carlson

has filed a formal complaint with the Postal Regulatory Commission concerning the Postal Service's decision to reduce window hours at post offices. According to the complaint, the Postal Service has changed its policies without seeking an advisory opinion, and now it will be reducing hours without seeking customer input.

Direct Marketing News: Despite the injurious rate hike catalogers endured in 2007, despite this year's exigency increase, despite the absence of postal reform, most catalogers would be happy if the Post Office would consider granting them one thing: a special rate for prospect mailings seeking new customers. One of the most damaging side effects of exigency for catalogers is that many of them will be forced to curtail prospecting in order to afford delivering to current customers. They're frustrated that Postal Service honchos fail to realize that new customers for catalogers means new business for the USPS. A cataloger at the forum noted that one new acquisition translates to two years of future mailings to that customer. And one major player at the Postal Service, apparently, seems to get it. After hearing Rucker stump for more Negotiated Service Agreements (NSAs) from catalogers, ACMA Chairman Martin McClanan turned the conversation to the prospect rate. "We're talking about something that can really transform volume," McClanan said. "What if we were to try to get that?" Rucker, true to his stated mission of acting as an advocate for postal customers, didn't miss a beat. "I don't think anything's impossible. I don't see why we can't do some type of prospecting promotion and see what happens," Rucker responded. "I'll commit to seeing if we can get a prospect rate in some of [USPS VP of Innovation Gary] Reblin's promotions."

The Independent: So much for the "long-term investors", then. After an inordinate delay, the Business Secretary, Vince Cable, has seen fit to publish the names of the firms that effectively received preferential treatment in the flotation of Royal Mail last year. Some, such as the sovereign wealth funds, did at least fulfil the Government's

hopes that they would secure long-term partners in building the Royal Mail business – indeed constancy has been something of a feature of the Gulf States' funds since their inception four decades ago. However, other names on the list are less obviously faithful – as could have been predicted at the time. And so we learn that, of the 16 shareholders who were selected by Mr Cable for their "long-term investor potential", and given vastly larger allotments than the £1,000-worth available to individuals, all but four sold out quickly. Rather than 22 per cent of the shares lying in such long-termist hands, only 12 per cent do now. The role of the investment bank Lazard Brothers – as advisor and priority investor – is another blot on the flotation.

Direct Marketing News: "Catalogs have a big part to play in communicating with customers in the future," maintained the Postal Service's chief information officer. "You're really on the front end of analytics, and we have an opportunity to be more strategic about what we're doing." Though he admitted that bringing all mail stakeholders together on any issue was nigh-on impossible, Cochrane ventured that the Postal Service and catalogers could unite on pooling their data and analytical resources to bring more visibility, and hence increased efficiencies, to postal operations. "Visibility is something we can all align around," he said. "A couple of years ago we introduced reduced cycle time and a funny thing happened on the way to improving service: We drove costs down. We talked service the whole time and we made money the whole time."

Given State States and States an

- <u>Fiscal Year 2013 Conference Costs</u>. The Postal Service should improve its monitoring of and accounting for conference costs. Specifically, the Postal Service was unable to immediately identify the number of FY 2013 conferences and their associated costs because management did not have a process to accurately identify conference costs.
- <u>Plant Load Agreements Greensboro District</u>. The Greensboro District was not adequately approving or monitoring plant load agreements. Documents were missing, lacked signatures, and were not reviewed as required. These conditions occurred because the district did not have a system to monitor compliance with the agreement. During our audit the district began to implement several corrective actions, such as updating current plant load agreements and creating a plant load committee to review applications and address issues. Additional improvements are needed, however, to ensure the district complies with approval and monitoring related requirements in these agreements.

FEDweek: A revised version of long-standing postal reform attempts may be introduced soon by the chair of the House Oversight and Government Reform Committee, Rep. Darrell Issa, R-Calif. The committee last year passed a bill on a partisan vote but at a recent hearing Issa indicated he plans to try again with revisions that could attract Democratic votes; in the prior Congress, the committee also had passed a bill but it never reached the House floor. Issues causing the hangup include under what conditions a switch to five-day mail delivery would be allowed, policies on closing post offices and other facilities, and what to do about a requirement to pre-fund retiree health insurance costs that accounts for a large part of the agency's financial losses of recent years. Other issues at stake in postal reform include possibly breaking off postal employees and retirees into a separate health insurance risk pool with unknown impacts on the rest of the FEHB population, and making the FECA injury compensation program less generous government-wide.

Members of Congress have sent a <u>letter</u> to the USPS Postmaster General opposing the Postal Service and Staples deal.

Press Release: Bell and Howell today announced the addition of marketing list rental capabilities to its <u>Go</u> <u>DataTM solution</u>, a 100-percent self-service data-quality and list-enhancement tool, through a partnership with Experian Marketing Services, a global provider of integrated consumer insight, targeting, data quality and crosschannel marketing. The partnership of the two companies gives marketers real-time access to a robust customer acquisition database of potential consumer and business customer listings compiled by Experian Marketing Services and integrated into Go Data's intuitive interface.

<u>GovExec</u>: The U.S. Postal Service will soon have to replace a large number of its executives, according to a new audit, and it could be doing a better job cultivating its leadership pipeline. USPS' Corporate Succession Planning

program has identified many best practices, the agency's inspector general found. Many managers, however, were not properly prioritizing the initiative, leading to employees who are ill prepared to fill in leadership positions.

Fiscal Times: Evan Baehr and Will Davis, were summoned to Washington for a meeting with the Postmaster General. Evan and Will wondered what it could be, "They must have seen the recent coverage in *CNBC*, maybe they'll help our company expand?" Or, "maybe they wanted the traditional photo opportunity and positive media buzz that political actors care so much about. Surely their company made the Post Office look good, right?" But when the Postmaster General came out to meet them, the stark reality became clear, they weren't interested in a photo-op. As Evan and Will describe it: "This 30-minute meeting was the end of our business model."

HispanicBusiness.com: Pitney Bowes Inc. today reported financial results for the first quarter 2014. Results for the quarter reflect the DIS business as a discontinued operation. Revenue from continuing operations in the first quarter totaled \$937 million, growth of 3 percent on both a reported and constant currency basis when compared to the prior year. Revenue results in the first quarter reflect the ongoing improvement in trends that the Company started to experience in 2013. Revenue for the quarter benefited from 23 percent growth in the Digital Commerce Solutions segment and from 1 percent growth in the Enterprise Business Solutions group. Revenue in the Small and Medium Business (SMB) Solutions group declined just 1 percent, which reflects the continued stabilization of revenue for this business.

The Post-Standard: Across rural America small town post offices are being closed in an effort by the U.S. Postal Service to stop mounting revenue losses. Being an independent branch of the federal government, the postal service is mostly subsidized by postal fees. The fact that more people are paying bills and communicating online instead of mailing letters has forced the postal service to make deep cuts. Many of the old brick-and-mortar post offices, slated for closure, could be morphed into village post offices. A village post office is one that is run by a small business owner as part of their retail operation offering limited postal services like selling stamps, PO boxes, or package services.



IDEAlliance®, a leading industry association for print and digital media, and an active developer of best practices and open specifications, has released an industry white paper, *OpenEFT: What It Is and Why It Matters*, explaining the IDEAlliance open specification that addresses the publishing ecosystem that typifies today's digital magazines. The introduction of touch-based

smartphones and tablets-combined with the rise of Internet-centric content, and a corresponding decline in print, has disrupted publishing supply chains. With this disruption, the initial costs of operating effective workflows are high, and the potential for revenue is elusive. The 15-page white paper, authored by **John Parsons**, Principal of IntuIdeas LLC, examines how publishers of all sizes can cope with present technologies and move towards a better, more profitable technology mix.

Office of the Inspector General: Wireless Local Area Network Deployment and Security Practices -- Report Number IT-AR-14-005 "We determined the Postal Service implemented adequate security policies and controls that effectively detect unauthorized use of and access to its wireless network. Specifically, the Postal Service has configured its wireless controller devices and access points to continuously monitor and detect unauthorized access. Our wireless network discovery scans at all five facilities we reviewed did not identify any wireless access points that we considered a threat to the network, such as those installed without the network administrator's consent. In addition, the current expansion plans for the wireless infrastructure follow established policy and security standards, and security procedures in place are effective to ensure new wireless technologies are authorized, evaluated, and assessed prior to deployment."

Postalnews Blog: Back in January we told you how a startup called Outbox had abruptly decided to call it quits after failing to make a go of its mail-digitization service. The company claimed it was doomed by the postal service's decision not to allow Outbox to have mail forwarded to it from postal customers. The fact that Outbox's founders were a pair of former congressional aides with zero experience in running a business, much less dealing with the mail, wasn't mentioned. Now we've been treated to a rehash of the story at something called InsideSources.com, which purports to be "a non-partisan news organization that knows our politically-sophisticated readers expect more than the same boring talking points". The funny thing about the article is the way it tries to

present the Outbox guys as some kind of wide eyed idealists who just wanted to help save the postal servicesomething they apparently felt they were destined to do- however dumb their business model was. When mean old Mr. Donahoe declined to play along, they were simply shocked! So they got a couple of their fellow political operatives to write and publish a glowing account of their quixotic struggle with the forces of darkness in Washington. Yawn. [EdNote: A word to the "wise" should have been sufficient. You don't help the postal system by telling mail recipients you can ensure that mail sent AND PAID FOR BY OTHERS FOR DELIVERY don't have to be delivered. That IS contrary to the postal model of just about every post around the world.]

Fox News: Postmaster General Patrick Donahoe doesn't regard the American taxpayers who subsidize the U.S. Postal Service as the agency's primary customers, according to a new report from Inside Sources. "You disrupt my service and we will never work with you," Donahoe told Outbox founders Evan Baehr and Will Davis. "You mentioned making the service better for our customers; but the American citizens aren't our customers — about 400 junk mailers are our customers. Your service hurts our ability to serve those customers." It's hard to believe that Donahoe would say that, as Baehr and Davis told Derek Khanna. The USPS refused to respond to Inside Sources' request for information beyond a boilerplate statement that said, among other things, that USPS would "continue to monitor market activities to ensure protection of our brand and the value and security of the mail."

AllAfrica.com: The Postal Corporation of Kenya has invested Sh260 million in an Enterprise Resource Planning (ERP) System in a bid to increase revenue and reduce cost of business processes. The Postmaster General Enock Kinara said the system is part of the corporation's efforts to automate front and back office functions in a bid to ramp up efficiency in end-to-end business operations. He said there is need to realign the corporation's operations and strengthen its profit centres through improving ICT infrastructure and prioritising ICT in budgeting, The corporation invested in the Posta Pesa payment solution in 2013 to enable it transact several operations electronically that include agency banking, mobile money transfer, e-commerce and e-payment of utility bills.

Post & Parcel: Brazil Post is gearing up for a major rebranding exercise that will see a new look launched next week. The state-owned postal service, which currently operates with its decades-old yellow and blue Correios brand, has hired agency CDA Branding & Design to rethink the public identity of the company. The new brand will be launched on 6th May at an event in Brasilia. It will be applied to vehicles, uniforms, post offices, websites, packaging and any other point of contact between the company and its stakeholders. Brazil Post said its new brand would reflect the local nature of the post office, the innovation of the company, the flexibility and dynamism of the

organisation and the commitment to its customers.

From the Federal Register: Postal Regulatory Commission RULES Periodic Reporting, 24335– 24336 [2014–09770] [TEXT] [PDF]

Wall Street Journal: There's a sad twist to the shooting Tuesday morning at a FedEx facility in Kennesaw, Ga., where an employee injured six co-workers before turning the gun on himself. Kennesaw is one of several U.S. cities and towns that have an ordinance requiring every household to own a gun.

Haaretz: As postal workers strike, Communications minister declares: Post office must be restructured. Israel Post faces financial collapse unless it raises rates and begins providing new services, a government panel said Tuesday postal workers launched a strike to protest layoffs. "The structure of the post office needs a change and the company must adapt itself to the changing needs of the public," said Communications Minister Gilad Erdan, who together with Finance Minister Yair Lapid, would have to approve the proposals before they can go into effect.

Digital Journal: Sixty-four percent of respondents support new revenue-generating services at Canada Post, including financial services, finds a new poll. The poll results are drawn from a Stratcom national online survey which interviewed a nationally representative sample of 1,512 randomly selected adult Canadians between April 9th and April 10th, 2014. This announcement comes on the heels of a symposium on the feasibility of postal banking in Canada, hosted by the Canadian Union of Postal Workers (CUPW) on April 26 and 27. International guests from New Zealand, the United Kingdom, France and Italy shared success stories of the financial services that help keep their public postal services viable. Representatives from the United States described how postal banking is also being explored as an option for their postal service, saying it could keep good public services viable and maintain

thousands of needed jobs. The Canadian Centre for Policy Alternatives' John Anderson told the symposium there is ample evidence of the viability of banking services at post offices. He said what is needed now is a task force to investigate how it may best work in Canada.

St. Louis Business Journal: The president of National Postal Mail Handlers Local 314, based in Hazelwood, has been indicted for embezzlement.

News: New Zealand Post plans to roll out YouShop in China after attracting 82,000 Kiwis to the parcel forwarding service. The state-owned postal service, which is grappling with a slump in traditional mail volumes, says 4000 users a month are signing up to YouShop, using delivery addresses in the UK and US to buy goods from companies that won't ship overseas.

ELos Angeles Times: A California House delegation led by Alan Lowenthal (D-Long Beach) is calling on Postmaster General Patrick R. Donahoe to reject a recent pilot program with Staples to operate retail mail counters at 82 U.S. stores. The letter was also signed by 29 other members of Congress from California, including Janice Hahn (D-Los Angeles) and Jackie Speier (D-Hillsborough). Lowenthal echoed criticism by union officials and warned that the partnership "is a clear and unmistakable attempt at union-busting, as well as the privatization of critical public services," he wrote in a letter to Donahoe.

April 29, 2014

Inside Sources: Evan Baehr and Will Davis, were summoned to Washington for a meeting with the Postmaster General. Evan and Will wondered what it could be, As Evan and Will describe it: "This 30-minute meeting was the end of our business model." *[EdNote: They were warned. They ignored the warning.]*

Postal Technology International: Canada Post is collaborating with e-commerce platform providers to make it easier for small businesses to go online and grow their business. The initiative aims to facilitate small businesses' transition to online stores. The new programme will be offered by e-commerce software solution providers to their users, with incentives on shipping services by Canada Post.

Sun News: A 37-year-old postal worker has been charged with dumping mail in the woods in St. John's, N.L. The man has been charged under the Criminal Code, the Canada Post Act and the Environmental Protection Act, the Royal Newfoundland Constabulary said in a release. The Canada Post worker was picked up in a local police sting, staking out the area to identify illegal dumping. The man was seen on surveillance footage taking ad fliers into the woods in a Canada Post truck, police told a press conference.

News Release: In our ongoing efforts to educate mailers and the Postal industry in general, Window Book has just published a new and very important white paper titled "Changes Are Coming in 2014: Do You Know What They Are?" This white paper specifically addresses what you can expect to see from the Postal Service this year: eInduction, Seamless Acceptance, Intelligent Mail Container labels, Enforcement of Penalties, Product Tracking and Reporting, and Promotions and Incentive Programs. It also has a Window Book prediction for 2014. Download your free White Paper: www.WindowBook.com/2014-Changes.

Direct Marketing News: A group of direct mail stakeholders submitted a document to the Postal Regulatory Commission (PRC) today stating its opposition to the U.S. Postal Service's motion to have a court stay its first scheduled report on the effects of exigency.

From the Federal Register: Postal Regulatory Commission RULES Revisions to Rules of Practice; Corrections, 23916–23917 [2014–09797] [TEXT] [PDF]

Expatica: Freelancers who work for postal delivery firm PostNL are demanding to be treated as if they really are self-employed rather than 'fake' employees, the Parool reports on Monday. A year after a strike calling for better pay and conditions, their association SubcoPartners has issued PostNL with an ultimatum, the paper says. The

freelancers want a guaranteed turnover of EUR 1,150 a week for a 45-hour week and to be able to bill if they work longer hours.

Wall Street Journal: TNT NV's cost-cutting drive is beginning to yield results, though the Dutch parcel delivery company continues to struggle to grow its business.

Washington Times: The Postal Service could soon be facing a serious labor shortage as nearly half of all executives and leaders are eligible for retirement in the next three years, a new report shows. Already battling funding problems, the retirements could leave the mail delivery agency with a gap in qualified leaders with long-term experience needed to head the service, as 49 percent of executives are up for retirement before 2017. "Because the Postal Service's workforce demographics are rapidly changing, it must identify and develop talent for future executive positions," said the Inspector General, the Postal Service's internal watchdog.

The Motley Fool: Last November, the government began as part of its Retail Partner Expansion Program a pilot plan to install mini-post offices in Staples beyond the usual stamp sales such partners are typically afforded. Instead, Staples will also include first-class domestic and international mail and package services, Priority Mail, Priority Mail Express, Global Express Guaranteed, and Standard Post services. A key detail was that a Staples employee, not a postal worker, would receive your package or envelope. Last week, the American Postal Workers Union staged picket lines outside dozens of Staples stores across the country to protest the creeping privatization of the service. They don't necessarily mind putting postal outposts in retail stores -- what they object to is the use of Staples employees to handle the mail. Staples is...looking...to bring more people into its stores. There's nothing inherently special about mail, though, that ought to make it the exclusive purview of the government, even if the sorting and delivery of 158 billion pieces of mail is truly a vast and mind-boggling enterprise.

BusinessWire: Quad/Graphics, Inc.announced that it has completed its previously announced \$1.9 billion debt financing that includes refinancing, extending and expanding its \$1.6 billion senior secured credit facility consisting of a five-year \$850 million revolving line of credit (the "Revolver"), a five-year \$450 million bank term loan A (the "TLA"), and a seven-year \$300 million term loan B (the "TLB"), as well as a high-yield bond offering of \$300 million aggregate principal amount of its 7.0% senior unsecured notes due 2022. Quad/Graphics expects to use the net proceeds from the TLA and TLB as well as the \$300 million unsecured senior notes offering to: (1) repay its existing term loans, revolver borrowings and an international term loan; (2) fund the acquisition of Brown Printing Company; and (3) for general corporate purposes.

The Hill: John Hegerty, President, National Postal Mail Handlers Union -- "The proposed service cuts now being debated in Congress, supported by the U.S. Postal Service headquarters, will slowly deplete our postal system of needed resources, allowing private interests to swoop in and take over what is now one of the great components of America's public infrastructure. If that happens, there will be no stopping private corporations from jacking up postal rates and jeopardizing the services that tens of millions of Americans use. Today, more than 650,000 active and retired mail handlers, city and rural letter carriers and postal workers stand united against Congress's self-defeating service cuts. Together, we represent employees at hundreds of mail processing facilities and thousands of post offices at risk of being closed. As a result of the proposed cuts, more than 100,000 Americans could lose their jobs. While still in need of reform, the USPS's financial outlook is better than it has been in years."

WKRC: Postal Inspectors say a ring of newspaper delivery guys stole millions of dollars from more than 400 victims. Ryan Noonan, a US Postal Inspector, said, "Add zeros where they shouldn't be added, cash checks on their accounts and then put in change of address of the people, getting the mail delivered to his house, get bank statements and enter into their bank accounts and engage in account takeovers." After a few months, the suspect was arrested.

Ottawa Sun: The Canadian Union of Postal Workers is at it again. This past weekend they used their members' dues to convene a symposium in Ottawa on postal banking. That's right. CUPW wants Canada Post to offer chequing accounts, savings deposits, insurance and more. The post office used to offer banking services but this ended in 1969. In their "Save Canada Post" literature, the union writes "We believe it's time to get back to basics." But expanding services like this isn't going back to basics. The federal government, via a Crown corp., doesn't need to wade into retail banking -- which is what this would essentially mean. There's just no need for this. Consumers

have access to the Big Five, as well as more than 20 other domestic banks in Canada. There are also thousands of credit union ATMs and branches. Virtually all major financial institutions offer online and phone banking. So not only does CUPW refuse to accept the realities of supply and demand in the postal sector, but in the banking biz too! This is a solution to a problem that does not exist. The problem is that CUPW leadership is afraid of losing their power base -- to hell with the taxpayers and economic reality!

April 28, 2014

National Review: Hundreds of mail workers protested last week at 56 Staples stores in 27 states. Their claim was simple: that a new U.S. Postal Service partnership with the office-supply store threatens their jobs. They're right — but instead of going postal at Staples, USPS employees should examine the union policies that pushed them to this precarious position. The Postal Service is in woeful financial shape. Labor costs account for much of that red ink. The Postal Service is "by far the largest government enterprise in terms of employment," according to the Congressional Budget Office. Wages and benefits account for nearly 80 percent of the Postal Service's total expenses. Consumers benefit from having more options, and the Postal Service may also save, if a recent internal memo is any indication. The memo estimated that private-sector retailers could offer the same mail services for less than a third the cost, which gives a bracingly clear picture of how inflated mail workers' pay has become.

E<u>iwanttheNews</u>: "We can't even begin to count the number of times the Postal Service has fouled up the delivery of papers that we could walk to customer's homes in less time that they get them there," Delta Publications President Mike Mathes said. This week, entire bundles were missing, as only individual copies showed up in Cleveland and then only a handful of them. Delta Publications uses a certified postal drop off vendor, having all papers delivered directly from our printing vendor to the post office in Kiel. From Kiel, the papers are trucked to the Milwaukee sectional postal office, and then forwarded to Cleveland. "On most occasions in the past, when we have placed follow up requests through the Postal Service to locate the problem, the finger has pointed to issues in the Milwaukee Sectional office," Mathes noted. "Their response is usually a lack of response, or a denial of any responsibility," he added.

At the Postal Regulatory Commission: PostCom and others have filed at the PRC against the USPS' motion to stay in the exigency case. <u>http://www.prc.gov/Docs/89/89700/14-04-28 ANM et al.</u> Opposition.pdf

Reuters: Britain's financial regulator will not investigate the government's sale of Royal Mail, it said on Monday, rejecting calls from lawmakers who said a sharp rise in the firm's share price should have set alarm bells ringing.

INDUSTRYALERT Intelligent Mail package barcodes (IMpb) Webinar Series

Returns Containing Mailable Hazardous Materials May 13, 2014 at 10 a.m. (EDT). This webinar outlines the new requirements for the use of Service Type Codes and Shipping Service File indicators relative to mailable hazardous and perishable material. We will also briefly discuss packaging and marking requirements for these materials. Please visit us on the USPS <u>Industry Outreach</u> website to view the upcoming webinar schedule and webinar archive presentations. Event number: 993 015 716 Event address for attendees: https://usps.webex.com/usps/onstage/g.php?d=993015716&t=a

The Jerusalem Post: The Israel Postal Company will escalate a labor dispute into a full strike on Tuesday, following its refusal to deliver mail in Tel Aviv and the Center on Monday. The dispute centers around a plan to restructure the financially unstable company that includes dismissing 2,000 workers, which the postal union complained was "unilateral."

Post & Parcel: Australia Post is entering into a direct contract with InPost, member of Integer.pl listed on the Warsaw Stock Exchange, due to commence in August 2014. As InPost was already providing the solution that supports Australia Post's current Parcel Locker network via the previous arrangement, this will continue as part of the new direct relationship between the two organisations. Field services performed to date by intermediary will be taken over by InPost Australia from August 2014.

Post & Parcel: Russia's rogue takeover of the Crimean region of Ukraine has continued with its establishment of a new postal service for the area. The Russian Federation's Prime Minister Dimitry Medvedev signed a degree on Friday creating Crimean Post, to provide postal services in the breakaway republic and Sevastopol. The new postal company will be overseen by the Russian Ministry of Communications, with its services integrated with Russian Post.

Newstalk: The Communications Minister has admitted the new postcode system will make it easier for Revenue to collect taxes. Pat Rabbitte was speaking as the new EirCode service was unveiled in Dublin today. It will use a 7-character code in an alpha numeric format. Existing Dublin postal districts will be retained. The government says the new postcode will provide benefits for householders, businesses and State bodies. Parcel and mail deliveries from An Post and other delivery companies will be able to use the new postcode system to quickly identify the location of a single house set in the countryside, or an apartment in a newly-developed multi-storey.

Economic Times: A new strategy to be unveiled by Siemens on May 7 will include thousands of job cuts, Germany's Manager Magazin Online reported on Monday, citing several senior Siemens managers. The sale of its postal automation and baggage handling business will also be announced in May.

TechCrunch: Circulars (the advertising inserts with coupons from local retailers) are still critical to revenues for local newspapers. In an effort to bring them into the digital age, a consortium of some of the largest media conglomerates are investing another \$14.5 million into Wanderful Media, to bring them to mobile devices. The new round brings Wanderful's total funding to over \$50 million from investors including Advance Digital, A. H. Belo Corporation, Community Newspaper Holdings Inc., Cox Media Group, The E. W. Scripps Company, Gannett Co., Inc., GateHouse Media, Inc., Graham Holdings Co., Hearst Corporation, Lee Enterprises, MediaNews Group and The McClatchy Company. *[EdNote: JJ Bye, bye mail....Bye bye happiness....JJ]*

Omaha World-Herald: The full-color flier that landed in Iowa mailboxes a few months ago had a picture of Rep. Steve King set over a picture of a rural farm under a crisp blanket of snow. "Steve King is fighting in Congress for what Iowans want," the flier proclaimed in red type. But this was no campaign mailer paid out of the Republican's re-election campaign funds. Instead, the cost was covered by taxpayers as part of the congressman's official expenditures. The practice is known as franking — a mailing privilege of U.S. lawmakers that dates to Revolutionary War times. Depending on whom you talk to, it's either an essential way for elected officials to keep in touch with their constituents or a powerful, unfair, mass-mailing advantage that helps keep incumbents in office. No matter the form, however, franking still boils down to a taxpayer-funded way for members of Congress to get their messages to constituents and potential voters.

American Banker: To folks at the U.S. postal service, the phrase "too big to fail" might as well refer to an oversized package that's marked for urgent delivery, and a "stress test" could be what happens to customers waiting in long lines to buy stamps. In other words, there's a big gap between the world David Williams occupies every day as the Postal Service inspector general and the realm he entered in January, when his office released a paper arguing that the agency should start making small-dollar consumer loans and offering new ways for consumers to save. The report's ideas set off a financial media firestorm and were just as loudly panned by banking lobbyists as they were cheered by prominent congressional Democrats. **Postmaster General Patrick Donahoe had telephoned Cam Fine, head of the Independent Community Bankers of America, to reassure him that the ideas in the report** did **not come from the Postal Service itself.** Though the IG's an independent agency, "I think sometimes people are under the mistaken notion that they do the Postal Service's bidding," Donahoe says. "They do a lot of good work for us. This is one we didn't ask for.... It came [as] a little bit of a surprise to us when we saw it."

Arutz Sheva: The Union of Israel Postal Service Employees has decided not to distribute mail in Tel Aviv and central Israel from Monday, as part of a protest against a streamlining plan that would see employees fired. The Postal Service management recently began implementation of the streamlining plan, which is designed to cut 113 million shekels from the company's expenditures.

The Times: The cream of the City of London is to be hauled across town this week to the Palace of Westminster in an unprecedented three-day parliamentary inquiry into last autumn's privatisation of the Royal Mail. During the

consecutive days of questioning by MPs on the business select and public accounts committees starting today, ministers and mandarins are likely to be accused of being gulled by City bankers and the counsel of their own financial advisers into selling off the nation's postal network too cheaply.

MarketWatch: TNT NV's cost-cutting drive is beginning to yield results, though the Dutch parcel delivery company continues to struggle to grow its business. Earlier Monday, TNT reported a sharp drop in first-quarter net profit to EUR1 million (\$1.38 million) from EUR144 million a year earlier. Last year's figure included a EUR200 million breakup fee received from UPS after the planned takeover by its U.S. rival stumbled on antitrust concerns. Excluding the impact of currency losses and exceptional items, operating income more than doubled to EUR51 million with the company recording EUR30 million in cost savings. "As significant progress has been made in restructuring our businesses, we are now increasingly focusing on growth in our target segments," said Chief Executive Tex Gunning, who has headed the company since June.

Barnett & Whetstone Press: Under-fire delivery firm TNT Post is facing an official investigation, after a Conservative MP found hundreds of letters containing details of benefits and bank statements dumped in a river in Colindale.

Washington Post: Even if election-year politics were not paralyzing Congress, it would be hard to pass a major reform of the U.S. Postal Service. Heaven knows the USPS needs an overhaul. Yet postal unions, bulk mailers, rural communities and other "stakeholders," as special-interest groups are now known in Washington, have lobbied successfully against change. Ending Saturday delivery is one of the few substantial reforms that enjoys widespread, bipartisan support. President Obama wants it. Mr. Issa is in favor. A Senate committee has already passed a bill, by a vote of 9 to 1, that would allow USPS to end Saturday delivery. Last but certainly not least, the American public seems quite willing to sacrifice Saturday mail in the cause of postal solvency. The more tightly reform legislation focuses on the areas of consensus, specifically including an end to Saturday delivery, the greater the chances it can succeed.

April 27, 2014

The National: The Dubai-quoted logistics firm Aramex reported a 14 per cent rise in net profit in the first three months of the year, driven by an increase in online shopping. Aramex said that the growth was driven by an increase in its international express delivery parcel service as consumers across key markets in the Middle East and Africa buy more goods over the internet and pay the company to ship them.

NUTV: Postal workers are to be urged by their union to vote against independence in Scotland. The move was agreed at the annual 800-strong conference of the Communication Workers Union in Bournemouth, which has 17,000 members working on postal and telecoms services in Scotland.

Cregon Live: Sleuthing by the Wall Street Journal uncovered Amazon's plans to roll out its own delivery network, a development that will surely trouble competing logistics companies and the already-troubled U.S. Postal Service. As Mashable and others note, Amazon is taking aim squarely at UPS and FedEx with its plan, which will let it close the loop between its warehouses and its customers. But it's the venerable Post Office that may suffer the most if its Amazon business goes away. Its trumpeted collaboration to deliver Amazon packages in select cities on Sunday, for example, would be one of the first casualties of an Amazon delivery force. The Sunday delivery deal provided a rare ray of light in the postal service's darkening financial picture. Now it's likely to be extinguished. [EdNote: This isn't the first time Jeff Bezos pulled the rug out from underneath the Postal Service's long hoped-for parcel growth plans. He did the same when Bill Henderson was PMG. How many more rug-pullings will it take before the USPS learns it can't make a long-lastng deal with Amazon's laughing boy?]

Sioux City Journal: Losing \$354 million in a fiscal quarter may lead one to cut corners to stop the bleeding. That's my thought as I stand outside the U.S. Post Office at Blencoe. I read a sign scribbled in marker, maybe crayon. I've seen more legible efforts on placards advertising "Free Kittens." Sun News: Canada Post employees want Canadians to be able to bank on them in the future. In an effort to remain relevant in the face of deep cuts to postal service in Canada, postal employees have begun lobbying to bring back postal banking, which ended in 1969. The Canadian Union of Postal Workers (CUPW) says that the thousands of postal offices across the country should begin offering services such as insurance, savings deposits and checking accounts. The union claims that banking services could generate much-needed income for the corporation, which recently announced the end to door-to-door delivery in response to declining demand for mail services in Canada.

B<u>ronx Times</u>: South Bronx Congressman Jose Serrano isn't getting any respect from the U.S. Postal Service. His continued efforts to halt the sale of the landmarked Bronx General Post Office, essentially have been ignored by the federal agency selling the site. The General Post Office was listed for sale in January after months of community outrage. Both Serrano and Diaz were among the elected officials seething over the financially-struggling federal agency's lack of communication with locals about the sale.

April 26, 2014



<u>Dead Tree Edition</u>: The U.S. Postal Service's traditional reliance on "carrier knowledge" to deliver misaddressed mail is breaking down. But is that good news or bad news? A USPS executive recently warned that the shift to more non-career carriers is likely to reduce the chances that mail with incomplete or incorrect addresses will be delivered correctly. Comments from both front-line employees and mailers

confirm that the trouble has already started.

Bloomberg: United Parcel Service Inc. (UPS) will record a pretax cost of about \$1.05 billion this quarter for changes to union workers' health benefits under a five-year contract approved by the International Brotherhood of Teamsters. The world's largest package-delivery company will make a pretax cash payment of \$2.27 billion to multiemployer funds that will administer active and post-retirement medical benefits for Teamster-represented employees, according to a filing today. The contract covers 253,000 workers. UPS is moving its health-care plans to a system defining its contributions, not the benefits to be paid, for the term of the contract. The multiemployer plan will cover future retirees, and UPS will remove \$1.2 billion in those obligations from its balance sheet, a trade-off worth the one-time hit to earnings, said Kevin Sterling, a BB&T Capital Markets analyst. "That \$1.1 billion is big now, but look at it in five years," said Sterling, who rates Atlanta-based UPS as hold. "It could be huge." Employees will see annual raises averaging 2.4 percent, and UPS is setting a \$10-an-hour wage for new part-time workers. UPS last changed its starting wage in the 1990s, Chief Financial Officer Kurt Kuehn said in a presentation to investors earlier today. Starting pay in some UPS locations had been near the minimum wage, Kuehn said.

The Motley Fool: After news broke that The Home Depot is moving from being a primarily brick-and-mortar operation to more of an e-commerce format, investors are probably wondering what this means for the business. According to an interview conducted by Frank Blake, the company's CEO, opening new retail locations does not make sense due to a combination of growing competition and market saturation. Moving forward, Home Depot's decision to operate electronically could mean a great deal of profit not only for it, but also for shipping companies like FedEx and UPS. Can Home Depot pave the way to the future of retail, or will it, like other retailers, succumb to the power of e-commerce giant Amazon? Currently, UPS and the United States Postal Service handle Home Depot's small delivery packages. However, the company also mentions using the services of FedEx on its corporate site.

KFYR: Most people expect long lines when they go to the post office. But the U.S. Postal Service is making changes. Postal employees are using technology to cut down wait times, and customers are welcoming the change. The Postal Service is helping customers skip the line. This week, Mobile Point of Sale devices were introduced at six locations across the state.

April 25,2014

National Association of Major Mail Users: The National Association of Major Mail Users (NAMMU) named Patrick Bartlett as its first Executive Director, effective May 1. Board Chair and Selection Committee Chair, Kristi Kanitz, said "Patrick Bartlett's long-standing engagement with print and mail both within Canada Post and subsequently with industry, give him a unique perspective and skill set. In this new role, we are confident Patrick Bartlett will help move this industry forward and build on the considerable gains of recent months."

Congratulations to PostCom Director (and former Chairman) Joe Schick, who has been named Vice President, Postal Affairs for Quad Graphics.

Linn's: the chief marketing officer of the USPS announced that the federal agency is "actively looking for ways to build new business lines around what not long ago might have been considered science fiction," according to several news accounts. Manabe went on to describe some marketing ideas that have been widely discussed, such as delivering groceries and other goods on a same-day basis. Manabe's speech appears to be at odds with "key aspects" of the USPS's privacy policy, as posted on the USPS com website. It's not the first time Manabe has stepped into controversy. Some members of Congress have questioned the wisdom of a contract she approved for a study of stamp usage. The reality is that being the chief marketing officer for the U.S. Postal Service has never been an easy job, especially for an outsider like Manabe.

Brown Cafe: United Parcel Service Inc. (UPS) will record a pretax cost of about \$1.05 billion this quarter for changes to union workers' health benefits under a five-year contract approved by the International Brotherhood of Teamsters. The world's largest package-delivery company will make a pretax cash payment of \$2.27 billion to multiemployer funds that will administer active and post-retirement medical benefits for Teamster-represented employees, according to a filing today. The contract covers 253,000 workers. Employees will see annual raises averaging 2.4 percent, and UPS is setting a \$10-an-hour wage for new part-time workers. UPS last changed its starting wage in the 1990s.

Committee (MTAC)

Mailers' Technical Advisory MTAC Association Executives, Representatives, and Leaders: Please join us in welcoming Judy de Torok, (A) Manager Industry Engagement and Outreach and Dale Kennedy Manager, Business

Customer Support & Service to the MTAC Executive committee. You can find their contact information in the updated MTAC roster located on RIBBS. We hope to see you at the MTAC meeting in May. If you have not sent in your RSVP, please email IndustryFeedback@usps.gov. The May MTAC meeting agenda is available on the MTAC RIBBS site under MTAC Meeting Agendas 2014.



The latest issue of the **PostCom Bulletin** is available online. In this issue:

- The Association for Postal Commerce (PostCom) held its semi-annual meeting this month where it discussed issues and challenges facing the mailing industry.
- Here is the summary of the provisions ostensibly now a part of Representative Darrell Issa's re-work of some sections of his postal reform bill which would permit private delivery of mail to mailboxes on any day the Postal Service does not do scheduled mail delivery. That would mean Sundays to begin, and would include Saturdays if the USPS abandons mail delivery on Saturday. It also includes provisions for refunding FERS, paying on half of its prefunding requirement for 2015 and 2016, delivery point modernization, and post office protection.
- The USPS Office of Inspector General has released a new white paper titled "Like, Share, Tweet: Social Media and the Postal Service." It believes that "[m]ost businesses and organizations now view social media as an opportunity to reach and engage with large customer audiences in ways impossible before: directly, in-real time, and at a lower cost. Likewise, the U.S. Postal Service (Postal Service) could better use social media to obtain these benefits. Effectively integrating social media into an omnichannel marketing and communication strategy can offer businesses numerous benefits."
- The U.S. Postal Service has issued a document of its own addressing some of the issues that have been raised by the APWU and its colleagues in opposition to the recent deal with Staples for the provision of over-the-counter retail postal services.
- The Postal Regulatory Commission (PRC) this week issued its final report, "Impact of Discontinuance of Saturday Delivery for Letters and Flats," prepared by independent economic think tank Swiss Economics. The report attempts to look at the impact on discontinuance of Saturday delivery of letters/flats only as well

as discontinuance of Saturday delivery for all mail, using a model simulation to estimate cost impacts from a variety of possible scenarios.

- Andre Pharand, Accenture, at the recent PostalVision 2020 conference provided key findings from Accenture's 2014 global postal industry research and insights, "Revitalization: The Success Of New Postal Models Achieving High Performance in the Postal Industry."
- USPS Inspector General David Williams talked at the recent PostalVision 2020 conference about enhancing the value of mail for digital natives. Accompanied by members of the OIG (Office of Inspector General) team, Williams talked about how the union of smart devices and social networking have allowed people to work, shop, research, and interact and how that has had a profound impact on mail. "Don't count out the mail side," Williams told the PV2020 audience, "but we need to do things to infuse new value all along the supply chain."
- USPS Vice President of Secure Digital Solutions Randy Miskanic, and Jeremy Grant, NSTIC (National Strategy for Trusted Identities in Cyberspace) at the recent PostalVision 2020 conference discussed the USPS' forays to date into the digital world. Miskanic said that the USPS soon will be going live with the FCCX (Federal Cloud Credential Exchange) initiative.
- Representatives from DeutschePost and Post Italiane at the recent PostalVision 2020 conference shared the experiences and strategies of their posts in the digital arena. Peer Bentzen, DeutschePost, gave attendees of an overview of E-POST, which he said, in combination with DeutschePost's parcel strategy, stopped the downward spiral of the post's profits. Ulisee Del Gallo, Poste Italiane, said that mail volume in Italy is decreasing rapidly each year, but the post's BankPost and insurance businesses are huge, serving about 10% of the 60 million people in Italy and is the largest online bank in Italy.
- Marshall Van Alstyne, Boston University and MIT, told attendees of the recent PostalVision 2020 conference that industry can help save the USPS by creating whole new marketplaces. He shared one idea using a QR code as a stamp which he said would be a win-win for the USPS, customers, and businesses.
- Brian Bieron, executive director of eBay's Policy Lab, told attendees of the recent PostalVision 2020 conference that the largest internet mobile technology companies in the world are focused on enabling commerce by all sizes and types of businesses from individual home businesses up to large retailers. The reality is that the internet is global, he said, and commerce is evolving in a way it has not done before that includes global. Farah Abdallah, innovation expert, told the PV2020 group that the global delivery business presents opportunities for posts and new value propositions to enable international ecommerce.
- A panel of global industry experts at the recent PostalVision 2020 conference discussed aspects of global ecommerce and cross-border shipping that represent friction points in the growth of the industry.
- Brody Buhler, Accenture, gave attendees of the recent PostalVision 2020 conference an overview of Accenture's findings in its recent Global Consumer Control research around consumers and the interactions between businesses and consumers. Whether you call it consumer control, preferences, profiles, etc. the research says it has to be more than that. The value of these services to the consumer is nice, Buhler said, but what really matters is how it impacts the senders of mail.
- PRC grants USPS petition to end Alternative CRA. USPS requests a stay on exigent requirements. Amazon delivers pasta, pickles, and popcorn with Prime Pantry. FedEx Office answers demand for mobile printing with new app. Senate postal bill would cut workers comp for feds across the government. Newspaper industry takes it on the chin, again. To increase productivity, UPS monitors drivers' every move. Ladies' Home Journal to cease monthly publication. Hybrid mail a decade later.
- Announcements from the U.S. Postal Service
- Postings from the Federal Register
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- Over There . . . International News
- Postal Previews

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



Reuters: British government ministers and bankers responsible for the sale of Royal Mail will face another round of questioning by lawmakers next week over whether the state postal operator was sold off too cheaply.

At the Postal Regulatory Commission:

Employment Opportunities

Vacancy Number	Position	Closing Date
PRC 04-14	Customer Service Assistant	May 09, 2014
PRC 02-14	Legal Assistant	May 09, 2014
PRC 06-14	Research Associate	May 27, 2014
PRC 05-14	Rate and Cost Analyst	May 27, 2014

From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products, 23021–23022 [2014–09370] [TEXT] [PDF]

Wall Street Journal: Trucks loaded with Amazon packages and driven by Amazon-supervised contractors leave this parking lot for homes and offices around San Francisco. Similar efforts are under way in Los Angeles and New York. Delivering its own packages will give Amazon, stung by shipping delays last Christmas, more control over the shopping experience. The retailer will gain flexibility regarding when packages are delivered and help in containing shipping expenses, which grew 29% last year. As a percentage of sales, Amazon's shipping costs have grown each year since 2009, according to securities filings. Just as important, the new delivery efforts will get Amazon closer to a holy grail of e-commerce: Delivering goods the same day they are purchased, offering shoppers one less reason to go to physical stores. With its own trucks, Amazon could offer deliveries late at night, or at more specific times.

Adweek: Over \$9,000,000 periodicals spend annually plus all of the lettermail and reply mail that supported the title. Postage comprised 47% of the overall costs for Ladies Home Journal. Above CPI increases on such a large percentage of costs for a struggling magazine – the math doesn't work. Well over \$9,000,000 lost revenue to the USPS, 100 industry jobs lost and a publication with a 131 year pedigree shuttered. The entire current Ladies' Home Journal staff, including its editor, Sally Lee, has been laid off.

April 24, 2014

WHOA!! GAME CHANGER!!! Take a look at the summary of the provisions ostensibly now a part of Mr. Issa's re-work of some sections of this postal reform bill which would permit *private delivery of mail to mailboxes on any day the Postal Service does not do scheduled mail delivery*. That would mean Sundays to begin, and would include Saturdays if the USPS abandons mail delivery on Saturday.

The Express: Many of us send friends and family a postcard from our holidays abroad but have you ever sent one from underwater? Well now you can. These stunning images show the world's first underwater post office, which allows holidaymakers to send their loved ones a message from under the sea. The amazing amenity is situated off

the coast of Hideaway Island, Vanuatu in the South Pacific Ocean. Vanuatu Post is submerged in the crystal waters 50 metres from the white sandy shore of the paradise island. Tourists are able to don masks, fins and snorkels or full diving gear to visit the post office, which was made from a large fibreglass water tank. Once there they are able to post special postcards which have been treated to make them waterproof. The postcards are collected daily by dive masters from the island and taken on to postal services to be sent.

The Jersey Journal: The U.S. Postal Service is concerned about the delivery of Every Door Direct Mail-Retail mail pieces in Hoboken, as reported by The Star-Ledger ("Our check is on the mail," Bamboozled, April 21). This is a good service and users enjoy its success. So, we appreciate that a disappointing response to a promotion — in this case, no response — raises questions for the mailing itself. We've had several discussions with the mailer, interviewed the delivery personnel, contacted other Hoboken Every Door Direct Mail-Retail users, reviewed the data for inquiries from other Hoboken customers, and examined the delivery points where addressees reported no recollection of this mail piece. The Hoboken postmaster will continue to work with the mailer and restore his confidence in our work.

ECNET: Bringing home delivery to a new level, Amazon launched its dry goods grocery delivery service on Wednesday dubbed Prime Pantry. The service lets Prime customers get boxes full of snacks, beverages, cleaning supplies, and more sent to their doorsteps. The way the service works is customers can select items to buy from Amazon's Prime Pantry Web site -- such as dog food, laundry detergent, potato chips, and hand lotion -- and Amazon will fill a box and send it to the customer's home. Each box comes with a \$5.99 flat delivery fee no matter how many items customers buy. "As you shop, you see that each Pantry item tells you what percentage of a Pantry box it fills based on its size and weight," the company writes on its Web site. "Pantry boxes are large and can hold up to 45 pounds or four cubic feet of household products. As you check items off your list, we continuously track and show you how full your box is."

The Times of India: E-commerce giant Amazon, whose founder and CEO Jeff Bezos recently spoke of the possibility of drones dropping goods to US homes in the near future, is embracing the neighbourhood kirana store to push the delivery advantage in India. This week in Bangalore, Amazon, in what's a first in India, started piloting the concept of enlisting kiranas as delivery points. The move can help it overcome the problem of failed deliveries, a

pain point for most e-tailers globally, making the last-mile logistics less complicated.

Postal Regulatory Commission	
NOTICES	
New Postal Products,	
22836–22837 [2014–09345]	[TEXT] [PDF
Postal Service	
PROPOSED RULES	
Collection of Delinquent Non-tax Debts by Administrative Wage Garnishment,	
22786–22787 [2014–09295]	[TEXT] [PDF
NOTICES	
Meetings; Sunshine Act ,	
22837 [2014–09374]	[TEXT] [PDF
Product Changes:	
Priority Mail Express Negotiated Service Agreement,	
22837 [2014–09292]	[TEXT] [PDF
Priority Mail Negotiated Service Agreement,	
22837 [2014–09294]	[TEXT] [PDF

From the Federal Register:

BusinessWire: Since the launch of its first mobile printing solution in 2010, FedEx Office has seen demand for mobile and cloud-centered printing options rise among its customers. Today, with the release of the newest FedEx Office mobile printing app, the convenience of these options is expanding to the millions of iOS and Android users in the U.S. The release also builds on the company's existing suite of award-winning digital printing technology, including FedEx Office Print & Go, FedEx Office Print Online and more. The FedEx Office app is optimized for the iPhone, iPad and Android platforms. With 455.6 million mobile phones sold worldwide in the third quarter of 2013—94 percent of which leverage the Android and iOS operating systems—the new print app can be easily downloaded and accessed by on-the-go professionals who make up a significant portion of the FedEx Office customer base.

Wall Street Journal: The national union representing United Parcel Service Inc. employees voted Wednesday to override three local bargaining units that were holding out on approving parts of a five-year national contract with the delivery company. The bold and unusual move, described in an internal memo viewed by The Wall Street Journal, took local union leaders by surprise. In the memo, the International Brotherhood of Teamsters said that the UPS national negotiating committee "voted overwhelmingly" to declare the new contract in effect. This decision supersedes prior rejections by three locals of parts of the national contract, known as riders or supplements, that address issues such as wages for part-time employees, pension contributions and overtime restrictions.

April 23, 2014

The U.S. Postal Service has issued <u>a document of its own</u> addressing some of the issues that have been raised by the APWU and its colleagues in opposition to the recent deal with Staples for the provision of over-thecounter retail postal services. *[EdNote: Do the world a favor. Go buy a pencil tomorrow at Staples. You can wave to the protesters on the way in and on the way out. Remember the APWU? They're the ones that want to screw flats mailers to the wall for simply complying with the Postal Service's requirements associated with its failed flats program.]*

St the Postal Regulatory Commission:

• Docket No. R2013-11 - Motion Of The United States Postal Service Requesting The Stay Of Certain <u>Reporting Requirements From The Commission'S Order Granting Exigent Rate Increase</u> -- "The Postal Service respectfully requests that the Postal Regulatory Commission ("Commission" or "PRC") stay those portions of its Order Granting Exigent Price Increase ("Exigent Order"), in which the Postal Service was directed to: 1) report the incremental and cumulative surcharge revenue to the Commission 30 days after the end of each quarter; 1 and 2) file a report with the Commission, no later than May 1, 2014, that includes a proposed plan for removing the exigent rate surcharge."

[EdNote: Oh, let me get this straight. First, the USPS forces mailers to pay more than inflation, then begs the PRC to exempt them from the reporting requirements the Commission imposed as a result of approving the increase. They're not bothering to ask an exemption of the exigency increase pending the court's decision. Hell! They made us pay! Make them comply!!]

- Quarterly Statistics Reports, Quarter 4, FY 2013, and Quarter 1, FY 2014
- <u>http://www.prc.gov/docs/89/89678/Letter_QuartStatRep_Q4FY_20140423154943.pdf</u> <u>http://www.prc.gov/docs/89/89678/QSRfy2013-q4.pdf</u> <u>http://www.prc.gov/docs/89/89678/QSRfy2014-q1.pdf</u>
- Postal Service Active Employee Statistical Summary (HAT Report), Pay Periods 08-09, FY 2014. http://www.prc.gov/docs/89/89679/HAT% 20report% 2009.pdf http://www.prc.gov/docs/89/89679/HAT% 20report08.pdf http://www.prc.gov/docs/89/89679/Letter_HAT_PP08-09_FY14_20140423155028.pdf
- RM2014-2 Order No. 2061 Order Granting Petition to Eliminate Rule Requiring Alternative Format CRA Report <u>http://www.prc.gov/docs/89/89665/Order_2061.docx</u> <u>http://www.prc.gov/docs/89/89665/Order_2061.pdf</u>

The Jerusalem Post: Snail mail has always had a bad rap. But you think we had it bad till now? It might soon get a whole lot worse. A word of caution: This is a global trend and not a uniquely Israeli phenomenon. The advent of the Internet, email, assorted social networks and cellphone messaging applications has expectedly hit traditional mail services hard, and this is true everywhere. By and large, most people nowadays no longer rely on written letters as their primary mode of communication. The inevitable upshot is that most postal services the world over are sinking ever deeper into the red and struggling to keep going. Israel is no exception.

The Motley Fool: The Teamsters' Local 89 Union at United Parcel Services' famed Worldport Hub has once again voted down the proposed Louisville air supplement in a vote of 2804 against and 185 for the proposal. This marks the second time that the contract has been voted down, and it highlights the ongoing strain between UPS and one of the company's most important local unions.

<u>KTVI</u>: The US Postal Service has been struggling over the past decade, losing billions of dollars because of the decline in mail volume and the rise of the internet and electronic mail. Now there are new strategies and new partnerships in place to keep the US Postal Service going.

Retail & Marketing: As more Canadians turn to online shopping, courier operator FedEx hopes an agreement to open shipping centres at Home Hardware Stores Ltd. will help it grab a larger piece of the growing e-commerce market. Federal Express Canada Ltd. said Wednesday that the centres, which serve as mini-hubs, will offer more "points of access" for customers to drop off and pick up parcels.

24/7Wall St.: Could the USPS go through an initial public offering of its own? The major hurdle is the postal service's enormous pension obligation and whether or not that would be part of the deal. Far simpler to contract out the labor-intensive postal window business.

Postal Postal Technology International:

- <u>Itella launches €10m project to improve e-commerce fulfillment services</u>
- UPS expands insurance offerings to protect supply chains for business customers
- USPS supplies new technology to six post offices in North Dakota
- DPD breaks ground on €11m parcel distribution centre in Germany's Dinkelsbühl
- Domestic payments made via Lithuania Post's PayPost outlets double in one year
- DHL expands express delivery partnership with IDEXX Laboratories

InformationWeek: US Postal Service wanted to virtualize its systems for auditors working in the field but didn't have room for added storage. It found the answer in a specialized appliance. The Postal Service's Office of the Inspector General (OIG) is migrating to a virtual desktop environment that soon will give its traveling investigators anytime, anywhere, any device access to the applications and data they need to do their jobs. Looking to transform its IT infrastructure and better support its users and mission, while also meeting a federal datacenter consolidation mandate, the OIG's IT team last year began to explore the idea of building out a virtual environment that eliminated the need for a costly, complex, and space-devouring storage-area network (SAN) architecture. "Almost 1,000 of our 1,100 full-time employees are true mobile workers," says Gary Barlet, CIO in the OIG. "Some only go to the office a few days a week. They're investigators working on cases and auditors out at various postal facilities. The concept of having to be tied to a specific location or a specific device to do their work just doesn't fit well in that environment."

Sharpen your postal smarts. Become a Member of PostCom.

Join Jessica Dauer Lowrance, Executive Vice President, PostCom on Tuesday, May 13, 2014 for a discussion on ''*How the USPS Uses Its Current Pricing Authority*'', and understand the potential changes you could be facing with the current legislative efforts. Title: Demystifying the Postal Price Cap Scenarios Date: Tuesday, May 13, 2014 Time: 1:00 PM - 2:00 PM EDT. Reserve your Webinar seat now at: https://www1.gotomeeting.com/register/394089704

If you haven't done it in a while, you owe it to yourself to check out what's new on the **Postal Service's RIBBS web site**.

Attention Postal One! Users: The "Heartbleed" bug hasn't affected Postal Service websites that require customers to provide usernames and passwords, according to USPS IT and the Corporate Information Security Office (CISO). "USPS was not vulnerable — nor is it today — to the threat that Heartbleed was responsible for creating," said CISO Manager Chuck McGann. "Information Technology and Corporate Information Security continue to evaluate the situation on a daily basis and provide updates to our customers as warranted." Because the Postal Service was not using security software susceptible to the bug, its certificate keys are not susceptible to exposure, McGann said. However, USPS will update these certificates and work with Web service providers to monitor threats. In addition, USPS has updated its websites to restrict access from older Web browsers. Employees and customers using browsers older than Internet Explorer 7.0 no longer will be able to access usps.com. Browsers now must support Advanced Encryption Standard, 256-bit encryption capability to conduct secure transactions with USPS websites to update their usernames and passwords on each site. "The Postal Service is committed to providing a safe and secure online experience for customers," said IT Manager of Marketing Relationship Management Robert Dixon. "We will continue to monitor the Heartbleed situation and protect sites accordingly."

WJLA: Joe Davidson, Federal Diary columnist with The Washington Post, discussed how Congress plans to stabilize the USPS, with Capital Insider.

Wall Street Journal: A postal-workers union is ramping up a campaign to try to slow the U.S. Postal Service's partnership with Staples Inc., including asking unionized teachers to boycott the chain and buy school supplies elsewhere.

Federal News Radio: As agencies move applications and services to the cloud over, two common themes emerged. First is the initial step toward the cloud usually begins with virtualization across multiple platforms: applications, server, desktop and user. Cloud then opened the door to enabling mission operations in a mobile environment. Federal employees could take advantage of smartphones and tablet computers to input or review data in real-time, and improve access to applications no matter where they are working. The Postal Service's Inspector General's office, for example, virtualized more than 400 servers serving both its front end infrastructure and back-end storage and computing power. By virtualizing, the USPS OIG now is moving toward a bring-yourown-device or BYOD strategy to let employees take advantage of the virtualized environment securely and efficiently. Other agencies are following suit.

Naharnet: Egypt's next president will have to contend with frustrated workers who have threatened a new wave of nationwide strikes if their demands are not met by an already cash-strapped government.

Evansville Courier & Press: A former U.S. Postal Service employee from Dawson Springs, Ky., has been sentenced to six months in prison and six months of home detention for destroying, hiding and delaying delivery of thousands of pieces of mail At least 44,900 pieces of mail were affected, said David J. Hale, United States Attorney for the Western District of Kentucky.

Western Daily Press: A postmistress in a Cotswolds village stole thousands of pounds of parcels containing jewellery, clothing and antiques, it was alleged in court yesterday.

Daily Journal: A St. Louis woman faces up to 15 years in federal prison after admitting she opened and stole packages while working as a supervisor at a southwestern Illinois post office.

Bangkok Post: A man vented his anger online after Thailand Post allegedly folded an envelope with a 'Do Not Fold' notice on it. A two-and-a-half minute video clip of the frustrated man showing the folded envelope and a damaged picture inside it was uploaded to YouTube by Apichart Samsa-nugan on Sunday. In the video clip, the man complained that the picture was damaged because Thailand Post failed to follow the the 'Do Not Fold' notice clearly written on the envelope by the sender. "The picture of the monk is not expensive but it has a lot of sentimental value.

"Can't you (Thailand Post staff) read, you monitor lizard? If you can't do your job then go raise buffaloes at home," the man said. Many netizens shared their thoughts on the national state-owned Thai postal service, saying they were also disappointed by its services. YouTube user Siwasak Glinsubun wrote that his friend mailed him an expensive computer mouse but he did not get it because it was stolen at Thailand Post and they refused to take responsibility. Another YouTube user whiterope tuok wrote, "I put a 'Handle with Care' notice on my envelope but I saw the staff throwing it in front of me."

The Standard: Thousands of Londoners are battling postal chaos they blame on Royal Mail's doorstep rival. Homeowners in Mill Hill, Harrow and other parts of north and west London blame TNT Post for a wide array of errors, with some residents saying "lazy" TNT postmen are dumping a whole street's mail in one customer's letter box for them to distribute to their neighbours. Others report that they have missed sensitive bank correspondence and failed to pay bills after letters were continuously delivered to their old home, despite paying Royal Mail as much as £54.99 for six months' diverted mail services. A senior postal source admitted privatised Royal Mail does not pass on re-direction notices to Dutch-owned TNT, which began its delivery operations in west London in April 2012 and has since expanded across the capital.

From the Federal Register: Postal Regulatory Commission NOTICES New Postal Products, 22708– 22709 [2014–09252] [TEXT] [PDF]

April 22, 2014

Fedweek: USPS Customer Service Operations has successfully managed periods of package growth, employee work-hours, and scan rates at delivery units, the Postal IG has found. It said however that opportunities exist to enhance readiness by improving acceptance scan rates, decreasing customer wait time in line during the holiday mailing season, enabling a Passive Adaptive Scanning System revenue-protection function, and reducing the number of non-barcoded packages to provide end-to-end tracking for customers.



<u>National Postal Museum</u>: The Smithsonian's National Postal Museum is hosting Family Fun Day Saturday, May 10. The event will celebrate two different yet uniquely connected themes: Chinese heritage and National Train Day. Through

special exhibits, programs and events, the museum will showcase how trains and the people of China have long shared a very special place in American history. The museum will offer a variety of educational activities and demonstrations throughout the day, providing visitors of all ages opportunities to learn, engage and take part in fun-filled activities. Visitors can participate in a special celebration of the 145th anniversary of the completion of the intercontinental railroad as the museum honors the Chinese immigrants who built it.

Minot Daily News: U.S. Senators Heidi Heitkamp and John Hoeven announced Monday that the U.S. Postal Service will be introducing Mobile Point of Sale devices in six locations across North Dakota this week.

<u>YLE</u>: From Tuesday mail workers begin covering new daytime delivery routes, to accommodate some of the 500 job cuts that postal services company Itella is making. Despite company claims that post will arrive as before, union reps are warning that longer distribution rounds for the remaining staff will result in slower delivery times.

WKYT: A postal service worker has been caught on CCTV throwing parcels from truck windows instead of delivering them. The worker was seen chucking parcels - reportedly including a HD Kindle Fire worth around \$400 - on to the driveway of a home in Georgetown on Saturday. The owners were perplexed as to why their parcels had

not been delivered properly and watched back their CCTV to find out.

Office of the Inspector General: Like, Share, Tweet: Social Media and the Postal Service (RARC-WP-14-010) While the U.S. Postal Service is among the 70 percent of businesses and organizations worldwide that are active on social media, a stronger, more robust social media strategy could help the agency remain competitive in the digital age. A new white paper from the U.S. Postal Service Office of Inspector General says such a strategy would help the Postal Service to respond better to changing communication needs, improve the customer experience, create value through social commerce, cut costs, and even develop new products and services for new revenues.

BroadwayWorld: According to recently filed court documents, the two owners of a 20% market share of "The UPS Store" franchise locations in Manhattan have responded to a lawsuit filed by The UPS Store, Inc. ("TUPSS"), United Parcel Service, Inc. and United Parcel Service of America, Inc. (collectively "UPS") with counterclaims and a third-party complaint seeking more than \$50 Million in damages, plus punitive damages, costs, attorneys' fees and other relief. The papers were filed on April 16, 2014 in New York Federal Court in lower Manhattan in the action entitled, The UPS Store, Inc., et al. v. Robert Hagan, et al. (S.D.N.Y., 12-cv-1200-WHP).

The Motley Fool: The burgeoning e-commerce market has opened up a sea of opportunity for delivery companies. So much so that the second-largest parcel carrier, FedEx, sees global e-commerce as one of its biggest growth drivers. FedEx's success will depend on how well it is able to mold its services to the need of the industry.

Daily Mail: The Zambia Postal Services (Zampost) has introduced soft loans for buyers of re-conditioned motor vehicles from Japan through its micro-finance subsidiary and has set aside K5 million for the scheme. Post master general McPherson Chanda said at a press briefing in Ndola last week that the top-up loans, which were with effect from Wednesday last week, will be accessible up to a maximum of 20 percent of the vehicle import cost through Zampost.

Federal Times: The Postal Service does not properly track its sale and maintenance of its historic properties, according to an April 21 Inspector General's report.

Bloomberg Businessweek: As if the U.S. Postal Service didn't already have enough to worry about, it has now become the target of gun enthusiasts, who are accusing the agency of stockpiling ammunition as part of a broader government plot to deprive Americans of their liberties. [EdNote: Did it ever dawn on anybody that the USPS has its own police force.....the Postal Inspection Service.....They carry guns. Helloooo!]

Wall Street Journal: One interesting item in the Federal Reserve's beige book, released last week, was a report from the Minneapolis Fed that "in the energy-producing areas of North Dakota, the U.S. Postal Service and its union recently agreed to pay increases of up to 20% for rural carriers." According to the Associated Press, the postal service is having a hard time, competing even with fast-food restaurants to find workers in western North Dakota, the site of the Bakken oil fields and a state with a 2.6% jobless rate.

April 21, 2014

The Australian: Australia Post's digital mailbox initiative, unveiled by chief executive Ahmed Fahour in 2012, must be struggling, judging by the monopoly postal service's bizarre submission to the financial system inquiry. Post makes the arguable point that the big four banks stifle competition and don't have a great track record on innovation, but then invites ridicule by putting up the major bank-owned BPAY — operator of the rival digital mailbox service BPAY View — as an example. Apart from BPAY's "unique ownership arrangements", it puts forward no evidence other than its rival's "dominant market share". The words pot, kettle and black spring to mind.

Trefis: United Parcel Service is set to announce its first quarter 2013 earnings results on April 24 2014. We expect that the shift in customer preference towards more economical means of shipping packages will continue to negatively impact revenue per package for the company. However, continued growth in e-commerce sales and international trade will drive up package volume and should help boost revenue.

Milwaukee Journal-Sentinel: FedEx Ground Package System Inc. is proceeding with plans to build a large distribution center in Menomonee Falls that would have over 450 employees. FedEx would develop the 202,950-square-foot building on 30 acres on the south side of County Line Road, west of Held Drive, according to a village report. Most of the building would be used as a distribution center, with 8,625 square feet set aside for offices. At full capacity, the proposed facility would have 466 employees, including 74 office employees,

the report said. It said 205 of the center's employees would be full time, and the facility would operate 24 hours a day, seven days a week.

EXAMPLA Services. The Azerbaijani postal operator, "Azerpoct" LLC is preparing itself for provision of micro-credit services. The postal operator is planning to apply to the Central Bank of Azerbaijan (CBA) for obtaining a license in this regard. As the Communications and High Technologies Ministry reported earlier Azerpoct LLC is ready to proceed with the issuance of microcredit through banks' mediation and without a banking license- as it is practiced today in a number of CIS countries. None of the banks in this area can compete with the postal operator because of its branching network, which in turn affect the economic activity in the regions of Azerbaijan.

Daily Mail: Thousands of letters are being dumped or delivered late by Royal Mail's doorstep rival. Customers blame TNT Post for missed hospital appointments, lost bills and delayed medical test results. The company's orange-clad staff are paid according to how quick they are – giving them an incentive to ditch mail. Letters have been found dumped in undergrowth in Manchester and London.

Washington Post: Rep. Darrell Issa may introduce a U.S. Postal Service overhaul bill next week that more closely tracks with a White House plan, a move that the California Republican hopes will help rally more Democrats, congressional aides say. With the clock ticking on his tenure as chairman of the Oversight and Government Reform Committee, Issa, the leading House advocate for legislation to overhaul the financially troubled agency, may introduce the bill as soon as next week, when Congress returns from its break. The new strategy comes as roadblocks in the House and Senate continue to dog a three-year effort to stabilize the Postal Ser-vice. The Senate, after painstaking negotiations, passed one postal bill in the last Congress in 2012, but an overall agreement remains elusive. But nothing has had enough support to pass, and leaders of the Democratic-controlled Senate and Republican-controlled House are not inclined to bring them to a vote before the midterm elections, congressional aides and Postal Service observers say.

East Bay: United Public Workers For Action -- "The national protest on April, 24, 2014 called by the American Postal Workers Union APWU and other postal unions is an important step in fighting the privatization and destruction and looting of our US post office. It is not only the Republicans that are pushing these attacks by Democratic politicians in every state, the corporate controlled Congress and the Obama administration which wants to end 6 day service."

Washington Post: Plans to stabilize the money-losing U.S. Postal Service have been bouncing around Capitol Hill for a long time, long enough to make you wonder if Congress will ever do anything about it. The proposals are designed to help the Postal Service deal with a changing business climate that left it with a net loss of \$5 billion in fiscal year 2013. Yet if the legislation in the Senate becomes law, its reach will extend well beyond the postal facilities and those who work there. The measure could have a significant impact on many federal employees, particularly those who are injured. That worries feds across the government. The overall bill won bipartisan approval in the committee with a 9-1 vote in February and the full Senate voted 62-37 on the same measure two years ago. The one "no" vote in February was cast by Sen. Jon Tester (D-Mont.). He complained that the legislation "includes sweeping changes to the federal workers compensation program, even though the committee has yet to hold a single hearing on the issue." It certainly seems there was time to hold a hearing, given how long the provision has been around. And the Senate seems in no rush to move the legislation now. *[EdNote: Labor's not alone. S. 1486 as it currently is written would make rotten law. As the late PostCom luninary Lee Epstein once told a congressional legislator about a postal bill he had written that Lee didn't like: "I've seen your baby. And your baby's ugly."]*

April 20, 2014

Associated Press: Newspaper industry revenue in the United States fell last year, as increases in circulation revenue were not high enough to make up for shrinking demand for print advertising, an industry trade group said on Friday. The Newspaper Association of America said revenue fell 2.6 percent to \$37.6 billion in 2013. Circulation revenue rose 3.7 percent to \$10.9 billion, the second straight year of growth. Advertising revenue fell 6.5 percent to \$23.6 billion. Digital advertising revenue increased 1.5 percent to \$3.42 billion. But that wasn't enough to offset an 8.6 percent drop in print advertising revenue to \$17.3 billion.

April 19, 2014

Engadget: If you've never contacted your congress person then you might not realize how difficult our politicians have made it to get a hold of them. There are 535 members of the House and Senate all whom have some arcane contact form on their websites that obscure their direct email address. It's inconvenient for a single person to write a letter to all their elected representatives. But for organizations looking drive letter writing campaigns it's a nightmare. Individuals wont want to visit three separate sites as part of a push to pass or block a piece of legislation. And while there are services out there that can automate part of the work by routing messages to the right email addresses, they charge thousands of dollars a year for access to their tools and databases. The Electronic Frontier Foundation and The Sunlight Foundation saw the need for a better solution and asked the open source community for help. After just a couple of days of marathon coding, the advocacy groups had their answer: Contact-Congress. The idea is to allow easy mass messaging of members of congress through a simple form. The core of the system is a database of email addresses and contact forms that have been hacked together from the various sites for elected officials. And that database is open to be used in other ways, beyond simply sending out form letters from an angry electorate.

NPR: The American workforce might want to pay attention to all those brown trucks full of cardboard boxes. UPS is using technology in ways that may soon be common throughout the economy. On the surface, UPS trucks look the same as they did more than 20 years ago, when Bill Earle started driving for the company in rural Pennsylvania. But underneath the surface, Earle says, the job has changed a lot. The thing you sign your name on when the UPS guy gives you a package used to be a piece of paper. Now it's a computer that tells Earle everything he needs to know. The computer doesn't just give advice. It gathers data all day long. Earle's truck is also full of sensors that record to the second when he opens or closes the door behind him, buckles his seat belt and when he starts the truck. Technology means that no matter what kind of job you have — even if you're alone in a truck on an empty road — your company can now measure everything you do.

Lawyers.com: The accuracy of forecasting a future event is based upon the validity of present facts and information, and generated within a program of patterns relying upon past models. But as present circumstances can change at any given moment, and unforeseen variables can alter the patterns modeled on previous occurrences, the science of forecasting can be a precarious venture into the foolish unknown. For Federal and Postal employees preparing to file for Federal Disability Retirement benefits through the U.S. Office of Personnel Management, whether the Federal or Postal employee is under FERS or CSRS (although, as the latter category is becoming more of a rarity, one may forecast that in a decade or so, the designation of "CSRS" may well become expunged from the lexicon of recognizable acronyms; just another forecast). Attempting to achieve some semblance of knowledge such that one can peacefully predict future outcomes is a natural desire; basing all hopes upon the certainty of a future forecast may be an act of monumental folly; the alternative is to have a balanced approach, and to recognize that the probability of a predicted outcome may approach a reasonable degree of certitude, but with potential pitfalls based upon unknown variables still to be encountered. Or, as most of us would do it, wet one's forefinger, put it up into the air, and declare a bold prediction with little or no knowledge or factual basis upon which to rely.

BBC: Delivering mail to Scotland's 94 inhabited islands - not to mention hundreds of remote communities in the Highlands - is an expensive business. The complex logistical operation involves trains, planes, ferries, Land Rovers and vans, not to mention an army of posties, six days a week. In the case of remote islands like Auskerry in Orkney, which has just a single family, it is delivered by a fisherman on his boat. Yet until now, no-one has thought twice about such costs. But now that Scottish independence is a possibility, it has become apparent that Royal Mail is, in effect, subsidising its remote Scottish operations with income from customers elsewhere in the UK.

New York Daily News: Viewers who have been begging for a TV drama that's not laced with sex or violence will find their prayers answered with Hallmark's new scripted series "Signed, Sealed, Delivered." But those viewers will pay a price. The characters, all of whom are terribly likable, speak as if they are reading from Hallmark greeting cards.

Salina Journal: During the five years since rural mail carriers stopped delivering mail to her home, Geraldine Kohman said she's written a stack of protest letters. Some correspondence to her Washington, D.C., lawmakers, the U.S. Postal Service and Dickinson County officials has been mailed from the post office in Hope, 14 miles round

trip from her home. Other letters have been sent by email. Regardless of how they were sent, few of her letters have been answered.

From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products,	
22169–22170 [2014–08953]	[TEXT] [PDF]
22169 [2014–09004]	[TEXT] [PDF]
Postal Service	
RULES	
Rules of Practice in Proceedings under the Debt Collection Act,	
22025–22028 [2014–08963]	[TEXT] [PDF

Associated Press: A former U.S. Postal Service employee in Anchorage was arraigned today on charges he accepted at least \$334,000 in disability and worker's comp payments while he spent his summers fishing. The U.S. attorney's office says in a release that 56-year-old Amacio Zamora Agcaoili Jr. was indicted by a federal grand jury on 18 counts, including theft of government funds. They claim every summer between 2009 and 2013, he went dipnetting and fishing on multiple occasions despite being on disability.

April 18, 2014

NY1: A New York congressman is calling for the U.S. Postal Service to stop selling off its historic post offices until it can figure out a better way to unload them. The statement comes from Bronx Democrat Jose Serrano, but echoes a report by the Advisory Council on Historic Preservation. The report says the USPS has been selling off historic buildings quicker since it hit financial trouble in 2008, and that it has not always done the proper reviews before selling. Serrano called the process "willy-nilly."

Post & Parcel: Finland's national postal operator Itella Group is developing a major new all-in-one e-commerce fulfillment service that could eventually provide same-day delivery for online purchases. The EUR 10m project involves an investment in a new warehousing system, with automated fulfillment systems, at the company's logistics centre at Voutila, not far from Helsinki-Vantaa airport. The new warehouse facility should be completed next year. Itella said the new service will offer online retailers access to "one of the most sophisticated warehousing and delivery systems in the whole of Europe". The company said machines will help in the processing and fulfillment of online store orders.

The Star: Postal and courier firms have managed to hold their forte despite despite stiff competition from revolutionary communication mediums such as mobile and internet, latest data from the Communication Authority of Kenya shows. According to the CAK quarterly report, the number of letters posted locally grew by about 30 per cent in the second quarter of year 2014 to hit 17,324,016 up from 16,859,790. During the first quarter of year 2014, letter business grew by 27 per cent to 16.8 million up from 13.2 million letters posted in the fourth quarter of year 2013. It said the number of courier items sent during the period increased significantly by 18.4 per cent to stand at 478,434 items from 404,090 items sent during the first quarter. International incoming letters also showed an upward trend of 10.1 per cent during the period to record 2.5 million letters up from 2.2 million registered previously. The report shows that traffic for courier items, local, and international letters increased by 18.4, 2.8, and

10.1 per cent respectively in the review period, thereby depicting sustainability of the business in future.



Postal Regulatory Commission	
NOTICES	
New Postal Products,	
21974–21975 [2014–08909]	[TEXT] [PDF
21974 [2014–08910]	[TEXT] [PDF
21975 [2014–08911]	[TEXT] [PDF

April 17, 2014

Emperial Valley News: Federal Trade Commission Chairwoman Edith Ramirez today named former FTC Chairman Janet Dempsey Steiger the 2014 recipient of the Miles W. Kirkpatrick Award for Lifetime FTC Achievement, honoring her steadfast commitment to public service and her many significant contributions to the agency. "Chairman Steiger was an extraordinary public servant who provided inspiring leadership during her tenure at the FTC," Ramirez said. "As the first woman to lead the FTC, she reinvigorated the agency's law enforcement, developed its international advisory role, and fostered deep working relationships with state enforcers. And above all, she created an esprit de corps that has made the FTC not just a workplace but a community." At the request of Presidents Carter, Reagan, Bush and Clinton, Steiger, who passed away in 2004, served as Commissioner and Chairman of the Postal Rate Commission, then as Chairman of the FTC from August 1989 to April 1995, and as Commissioner of the agency until September 1997.

St the Postal Regulatory Commission:

 RM2014-3 Reply Comments of The United States Postal Service http://www.prc.gov/docs/89/89636/Reply%20Comments%20%5BRM2014-3%5D.pdf

The Economist: Earlier this year its inspector-general released a white paper suggesting that post offices should begin offering financial services, such as cheque-cashing, small loans, bill payments, international money transfers and prepaid cards to which salaries or benefits could be transferred. The reasoning is simple: a lot of Americans have scant access to banks and a lot of post offices have too little to do. More than one-quarter of American households are unbanked or underbanked, meaning they either lack a current or savings account, or they have one but still use alternatives to banks such as cheque-cashers and payday lenders. Some, notably the head of the committee of the House of Representatives that oversees the USPS, are unconvinced. They see the postal services' expansion into financial services as government overreach, and a delay of the necessary "right-sizing" of a massive agency that does far less than it used to.

Data Guidance: The State Post Bureau of The People's Republic of China (SPB) approved - on 28 February 2014 - the Postal and Delivery Service Users' Personal Information Security Regulations, the Undeliverable and Returned Shipment Regulations, and the Postal Industry Information Reporting and Processing Requirements. This represents China's continued expansion of sectoral data protection requirements, as opposed to adopted a single omnibus data protection law.

MyPrintResource: Bell and Howell today announced that through an agreement with Experian, it has expanded its Go Data solution (www.GoDataSolution.com), a 100-percent self-service data-quality and list-enhancement tool, to include marketing list rental. This update gives companies 24x7 access to lists of consumer and business customers compiled by Experian and integrated into Go Data's intuitive interface.

The latest issue of the **PostCom Bulletin** is available online. In this issue:

• USPS load leveling for SCF entered Standard Mail -- Reserve your webinar seat at: <u>https://www1.gotomeeting.com/register/193830896</u>

- The U.S. Postal Service and the Petitioners (21 entities that participated in the PRC exigent proceedings) have filed initial briefs before the US Court of Appeals for the District of Columbia Circuit. The USPS has requested that the Court grant the petition for review and remand for further proceedings, while the Petitioners requested the petition for review be granted and that upon remand, the Commission should be directed to provide two issues (properly differentiating between the declines in mail volume and revenue that can justify exigent relief/caused by the recession an those from other causes; and failing to implement in a reasoned fashion the "necessary" requirement of Section 3622(d)(1)(E).)
- Frederic Rolando, President, National Association of Letter Carriers, Mark Dimondstein, President, American Postal Workers Union, John Hegarty, National Postal Mail Handlers Union, and Jeannette Dwyer, National Rural Letter Carriers Association have written a letter to Chairman Issa and Ranking Member Cummings of the House Committee on Oversight and Government Reform on the President's 2015 budget.
- USPS Chief Marketing & Sales Officer Nagisa Manabe spoke briefly at last week's PostalVision 2020 conference, about what the Postal Service sees for the future of mail and delivery. She said future opportunities include linking data and mail, same day delivery, grocery delivery, forward warehouse services, returns solutions, the mailbox of the future, new use of post office space and carriers, and a better mobile app.
- Postal Regulatory Commission (PRC) Chair Ruth Goldway told the PostalVision 2020 conference attendees that the gathering was an example of how human beings like to gather to talk and socialize even in a technological age that includes 3d printers and drones. "That is a fundamental principle that has to be included in any planning that involves digital," she said.
- Jim Sauber, Chief of Staff to the President, National Association of Letter Carriers (NALC) told attendees of last week's PostalVision 2020 conference that the NALC is adamantly opposed to threats to the USPS' transportation, delivery and sorting network. He said the last mile network is incredibly valuable to the USPS and to the country. "The ability to reach 150 million addresses six days a week is an asset to the Postal Service," he told the PostalVision 2020 conference attendees. "Policy makers and the USPS leadership should stop thinking of the delivery network as a cost factor," he said, "it is an asset that should be leveraged." The NALC represents about 200,000 city letter carriers, 90% of whom belong voluntarily to the association, Sauber said.
- While much of the recent press over Amazon's announcement that it may use drones in the future for package delivery may have struck many as futuristic and absurd, attendees of last week's PostalVision 2020 conference learned enough about Unmanned Aerial Vehicles (UAVs), also called "drones," to know they could transform delivery in the future.
- Matt Swain, InfoTrends, reported highlights at last week's PostalVision 2020 conference on findings gained by InfoTrends from conducting focus groups for a USPS OIG (Office of the Inspector General) study titled, "What America Wants and Needs from the Postal Service." The focus groups included 101 Americans aged 19-92, representing 67 different ZIP Codes from 11 different states. Participants included those from urban, suburban and rural areas (about one third from each type), about even in terms of gender and with a range of incomes.
- PostCom submits reply comments in price cap docket. Tax returns go from post office to digital. More from PV2020 to come. Lexington Institute's 'Postal Trendwatch April 2014.' USPS wants to mine and sell data gathered from your mail. Deregulating the USPS? Bad idea. Is 5-day delivery USPS's way of saying it's giving up on mail.
- Announcements from the U.S. Postal Service.
- Postings from the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG
- International postal news
- Postal previews

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us</u> by email your name, company, company title, postal and email address. Get a chance to see what you've been missing.



Dhio Newspaper Association: The relationship between newspapers and USPS is as old as the nation. Recent USPS' decisions have shown total disregard for this historic relationship. Proposed elimination of Saturday delivery, poor delivery and worsening service standards, exigent rate increases and unfair NSAs with direct mail companies would leave Ben Franklin rolling in his grave. USPS service is in shambles. USPS claims that service has not declined, but it has now shuttered half of its mail processing plants. This has caused service, most notably in rural areas, to crumble. Newspapers are losing subscribers because of late deliveries. Yet USPS defends its service standards. This disconnect is because the postal service does not measure on-time delivery of newspapers, only first-class pieces. It is a bad idea to deregulate the USPS, as proposed in a "reform" bill pending in Congress, Senate Bill 1486. It does too little to protect the private sector from an unfettered government monopoly.

Direct Marketing News: Packaged goods marketers like to talk exclusive brand assets and unique selling propositions. It's fitting that the acronym for the latter—USPs—is the same as that for the United States Postal Service, because its claim to mailboxes is one of the few business assets worthy of the definition of the word "unique." It's the one and only organization allowed to open the lid of one's mailbox or cross the plane of one's mail slot. Try it yourself and you will soon be introduced to another unique USPS asset not found at FedEx or UPS: the Postal Inspection Service. The Postal Service delivers to 150 million addresses six days a week, adding up to total usage occasions of 900 million a week, or nearly 50 billion a year. Now here's where the Postal Service runs it truck off the road in the estimation of CPG marketers. CPGers battle to increase occasions. USPS managers want to decrease theirs to the tune of nearly 6 billion a year by cutting out Saturday delivery.

BusinessTech: The SA Post Office (Sapo) is upgrading its backbone datacentre infrastructure, applications and network as part of an R800 million "infrastructure refresh project". "The project will enable Sapo to provide IT services on both physical and digital channels throughout its network," said Brighton Tiribabi, acting chief information officer at the SA Post Office.

AllAfrica.com: The Kenyan postal and courier sector reversed its growth trend within the quarter under review, registering increased traffic in both local and international incoming mails at 2, 8 per cent and 10 per cent respectively. There was however decline in international outgoing mail. This growth signifies that there is still demand for this service.

Post & Parcel: The Universal Postal Union's member countries have demanded the organisation speed up its work to improve the flow of e-commerce through the global postal system. The Berne-based agency affiliated with the United Nations has been working to break down the barriers to cross-border e-commerce. The issue is seen as "critical" to the world's postal operators as their letter volumes decline, and the UPU said Posts are "well positioned" to help particularly small and medium-sized businesses expand their sales across national boundaries. But in the competitive delivery business, the UPU said "time is of the essence".

Pacific News Center: Utility ratepayers aren't the only ones affected by the recent changes in the delivery of US Postal Mail, the Guam Memorial Hospital received 1,500 returned bills in the mail in the past month. GMH Administrator Joe Verga is advising residents to get in touch with the hospital's billing department in case you were affected. The average returned mail that GMH receives every month is about 200 bills. But within the past month, the hospital got 1,500 sent back. They too were affected by the recent changes in the US Postal Service delivery system.



Postal Regulatory Commission

NOTICES	
New Postal Products,	
21813 [2014–08698]	[TEXT] [PDF]
21813–21814 [2014–08774]	[TEXT] [PDF]

Highland News: A broad national coalition of organizations representing users of the mail argued this week to the U.S. Court of Appeals that the Postal Regulatory Commission erred when it granted a \$3.2 billion postage increase to the U.S. Postal Service last year. The group, which includes National Newspaper Association fighting on behalf of community newspapers, said the PRC ignored inconsistencies in the Postal Service's economic argument for the exceptionally high rates. Community newspapers in January faced increases of 7 percent to 9 percent, in a year when inflation hovered below 2 percent, because of the commission's decision. Attorney David Levy of the law firm Venable LLP. in Washington, told the court in the coalition's brief that the Postal Service's losses were not primarily created by the Great Recession but by the steady attrition of mail from Internet diversion. Levy and his legal team focused upon economic data analysis that the mailers considered flawed because it introduced variables inconsistent with the trends of the recession, recovery and accompanying Internet competition for messages. The PRC agreed with much of the mailers' position that the Internet competition drove USPS financial losses, but granted the USPS request anyway.

April 16, 2014

Bloomberg Businessweek: It's unusual for a challenger to unseat an incumbent president in the postal workers' union election, but Mark Dimondstein did exactly that. The onetime postal clerk from Greensboro, N.C., ousted former American Postal Workers Union President Cliff Guffey by a comfortable margin in October's vote, and now he wants to build public support for his effort to thwart U.S. Postmaster General Patrick Donahoe's plan to downsize and reform the U.S. Postal Service.

Daily Caller: The United States Postal Service is looking to get in on the big-data-for-profit game played by tech giants like Facebook and Google, and begin mining and selling private data gathered from personal mail sent from and received by Americans everywhere. USPS chief marketing and sales officer Nagisa Manabe recently told the forward-looking PostalVision 2020 conference that the post office is "actively looking for ways to build new business lines around what not long ago might have been considered science fiction," eCommerce Bytes reports. While some of those ideas included new delivery services from partnerships like grocery chains, others seek to increase revenues from advertising by mining, storing and analyzing customer data. By mapping those datasets and determining consumer behavior, advertisers and retailers could target more effectively through traditional mail, much the same way Facebook and Google target ads based on search, profile, email and other data. Manabe described an example scenario in which a woman test drives two different types of cars and two different dealerships while trying to decide which to buy. "We're at the point where, all too soon... We're going to know exactly that she was shopping at two different car dealers looking at cars, and both of those car dealers should be mailing her communication about that vehicle, right?" Manabe said. "And we're there now, folks. I mean, you all know this. There are dozens of folks out there who are supplying that kind of information. If we're not testing and exploring some of that together, we should." Manabe described the obvious marketing opportunity as too big for

USPS to pass up in the emerging digital world.

Did you miss this? Full-Service Intelligent MailTM Outreach Randy Workman HQ Business Mail Support Analyst United States Postal Service. If so, you can still listen to the webinar and follow along with the slides used during the webinar. Webinar | Slides

INDUSTRYALERT PERSONNEL ASSIGNMENTS CONSUMER & INDUSTRY

AFFAIRS Effective Immediately, *Judy de Torok will serve as Acting Manager, Industry Engagement and Outreach.* Most recently, Judy served as the Acting Vice President for Corporate Communications. Judy began her postal career as a Communications Program Specialist and has held a variety of positions within Corporate Communications, including Manager of Media Relations, Manager of Marketing Communications and Field Liaison

Communications Manager. She was Manager of Media Relations during the anthrax crisis of 2001; developed and implemented the Transformation Communication Plan; and served as editor to a variety of award-winning postal publications. In 2002, Judy joined Government Relations where she was responsible for managing Congressional hearings for the Postal Service and preparing a variety of internal and external communication materials. From June 2011 to July 2013, Judy served as the Manager of Integration and Support for the Deputy Postmaster General, where she worked to align communications, legislative, customer and sustainability issues for the Deputy's Office. Judy has a Master's degree in Journalism from Northwestern University and a Bachelor of Arts degree in Communications and Political Science from Chatham College. Dale Kennedy, Manager, Business Customer Support & Service completed his executive detail opportunity as Manager, Industry Engagement and Outreach. Dale provided great insights and knowledge towards improving the customer experience. Dale will continue to support the Consumer & Industry Affairs department by working on special assignments.

Postal Technology International:

- Correos rebrands express parcels business
- CitySprint launches optical delivery service and 'store to door' delivery trial
- FedEx opens new distribution hubs in Japan and Mexico
- Report reveals 76% of online UK shoppers will use click and collect services by 2017
- Iceland Post signs contract with Icelandair for delivery of missed luggage
- Royal Mail celebrates 40 years of the postcode in Britain

Western Morning News: Royal Mail were left red-faced after a whole fleet of its vans were given tickets because the parking permits were late in the post. Ten vans were slapped with fines after they were parked in a car park which they had not displayed the correct permit for.

Postalnews Blog: The Postal Service has introduced Metro Post — a new option for New York businesses that need same-day package delivery service in the city. New York is the second test market for Metro Post, which began in San Francisco in 2012. In New York, businesses pay a fee to have packages picked up in the afternoon and delivered anywhere to customers in Manhattan by that evening. Metro Post is part of the Postal Service's strategy to grow its package delivery businesse.

Postalnews Blog: The four unions representing rank and file postal workers have sent a letter to Darrel Issa, Chairman of the House Oversight Committee, and Elijah Cummings, the Ranking Member. "We strongly oppose major elements of the Administration's proposed reforms as out-dated and counterproductive to the goal of strengthening the Postal Service for the 21st Century. Simply re-amortizing the disastrous retiree health pre-funding mandate that was enacted in 2006, and which accounts for more than 80% of the Postal Service's losses since 2007, is totally unacceptable. "Kicking the can down the road" is not a solution to the Postal Service's most pressing financial problem. The payments are unaffordable now; they will be unaffordable two years from now. The USPS has already set aside more than \$50 billion for decades of future retiree health benefits. It's time to repeal the prefunding burden that no other private or public enterprise in America faces (without taxpayer appropriations) or dramatically reduce the cost of that burden by enacting other reforms. Congress should either implement the recommendations of the Postal Regulatory Commission's independent audit of the postal CSRS account (Report on CSRS Pension Allocation Principles, Segal Company, November 22, 2010) or adopt FEHBP reforms that will reduce postal retiree health benefit costs. Any reform that fails to address the pre-funding burden will doom the Postal Service to endless cycles of service and job cuts that will destroy this national treasure."

At the Postal Regulatory Commission:

- <u>Docket No. RM2014-3</u> "Treatment of Rate Incentives And De Minimis Rate Increases For Price Cap Purposes" Reply Comments Of The Association For Postal Commerce
- RM2014-3 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Reply Comments on Notice of Proposed Rulemaking http://www.prc.gov/docs/89/89628/Valpak RM2014-3 Reply Comments.pdf

U.S. Court of Appeals for the District of Columbia: Initial briefs have been filed with the appeals court by petitioners and the Postal Service in the matter of the Postal Service's appeal of the Postal Regulatory Commission decisions regarding the most recent postal rate proceeding. USPS Brief | Petitioners' Brief

Radio New Zealand: New Zealand Post has warned the Government its mail volume is falling faster than it anticipated last year when it negotiated a new deed of settlement. Under that deed, the Government agreed the postal service could reduce its mail deliveries to three days a week from July 2015. In the last financial year New Zealand Post delivered 63 million fewer letters than the year before, a much bigger slump in deliveries than it had forecast. In a letter to its shareholding ministers the company says it will be increasingly difficult to operate commercially, even within the additional flexibility provided by the new deed. The company is also considering the future of its service accepting payments for third parties, such as power companies, as more and more people switch to paying their bills online. NZ Post chief executive Brian Roche says it's simply making ministers aware of the challenges the company faces.

April 15, 2014

USPS Load Leveling for SCF Entered Standard Mail. Please join the Association for Postal Commerce, PostCom for a **FREE Webinar** on **April 30**, **2014** for an informative update on the United States Postal Service Load Leveling presented by Linda Malone, Manager, Processing/Network Operations, USPS Headquarters. The Postal Service, in its ongoing communication efforts, will provide this webinar to present the nationwide implementation of the DSCF entered Standard Mail service standard revisions for Load Leveling. Specifically, the Postal Service will review the benefits of load leveling volumes across the days of the week, the changes guiding the implementation, and the anticipated effects from the initiative. *Title: USPS Load Leveling for SCF Entered Standard Mail Date: Wednesday, April 30, 2014 Time: 1:00 PM - 2:00 PM EDT* Reserve your Webinar seat now at: https://www1.gotomeeting.com/register/193830896

Lexington Institute: The U.S. Postal Service (USPS) lost \$354 million in Q1 FY 2014 -- the 19th money-losing quarter of the prior 21. Still, the loss represents a significant improvement over the \$1.3- billion loss posted in the same period last year. The Service's operating revenue grew \$334 million, or 1.9 percent, relative to Q1 FY 2013, driven by growth in Shipping and Package services revenue and operational cost cuts totaling \$574 million. But this revenue growth was not enough to offset losses from declining First-Class Mail volume. Monopoly consumers face higher rate increases than competitive products consumers. Monopoly service quality declines.

Attention Postal One! Users: The PostalOne Support teams restarted the database and application servers in order to restore the system. All the alerts have cleared up and the support teams have confirmed that the application is functioning normally. The support teams will continue to monitor the system but meanwhile if the mailers continue to see any issues with their jobs please contact the Help Desk at 800-522-9085.

PRNewswire: The Global Piracy and Counterfeiting Consultants is now offering to help the US Postal Service to stop delivering Chinese counterfeit pharmaceutical products via the US mail, because Chinese counterfeit drugs put at risk US consumers, and costs major pharmaceutical companies and their shareholders billions of dollars each year.

Non-postal news worth noting:

- <u>Gizmodo</u>: Quantenna Communications has announced that it's working on a chipset due 2015 that will supports speeds of up to a staggering 10 Gbps.
- <u>Wall Street Journal</u>: Google Inc. on Monday acquired a maker of solar-powered drones—a startup that Facebook Inc. had also considered acquiring—as the technology giants battle to extend their influence and find new users in the far corners of the earth. The drone makers are on the leading edge of a promising but largely unproven technology to beam Internet access to parts of the world not served by telephone wires or cellphone towers.

• <u>Wall Street Journal</u>: The Laura and John Arnold Foundation, created by a Texas billionaire and his wife, has made a name for itself since 2011 by funding research on the fiscal health of public pensions. Now, irate public-employee unions are pressing nonprofits such as public television, the Pew Charitable Trusts and the Brookings Institution to stop taking money from the Houston-based organization. The unions argue that the Arnold Foundation is trying to sway public opinion to support replacing public pensions—which give workers including police, firefighters and teachers guaranteed benefits at retirement—with defined-contribution accounts similar to 401(k)s, or hybrid approaches.

E<u>eCommerceBytes</u>: In 2020, when your supplies of milk and butter start to run low, your refrigerator will know to send out a call to the grocery store and, later that day, the Postal Service will show up at your door with fresh provisions. Sound far-fetched? Not to Nagisa Manabe. Manabe, the chief marketing and sales officer with the USPS, offered a preview of an array of initiatives that the agency is working on to improve and expand its services through the use of technology, tapping into unused infrastructure and by forging new partnerships.

Wall Street Journal: Luisa Todini, currently on the board of state broadcaster RAI, was named for the chairmanship of Poste Italiane. Francesco Caio was named as new chief of Italy's postal service, Poste Italiane SpA, which is controlled by the state. Mr. Caio replaces Massimo Sarmi, who has turned the company around since taking the helm in 2002. Mr. Sarmi more than doubled the postal service's revenue to €26 billion (\$36 billion) from 2002 to 2013, by aggressively pushing financial services. The government plans to sell up to a 40% stake in the postal service later this year, hoping to raise as much as €5 billion in one of the biggest Italian privatizations in years.

Stuff: NZ Post has warned falling mail volumes could force an early rethink of whether cuts to deliveries have gone far enough to keep it out of the red. The state-owned group is set to cut standard urban deliveries from six days a week to three days a week from July 2015, with the loss of up to 2000 jobs. A further review is due in 2018.



show. Check it out.

Attention Postal One! Users: The PostalOne!® Preprod environment will be unavailable from 4/14/14 thru 5/16/14 for a storage and database upgrade. During this outage PostalOne!® TEM will be available for testing purposes.

What They Think: Quad/Graphics, Inc., announced that it has priced a private offering of \$300 million of its 7% senior notes due 2022. The offering is expected to close on April 28, 2014. Quad/Graphics expects to use the net proceeds from the notes offering and the previously announced extension and increase of its senior secured credit facility to: (1) repay its existing term loans, revolver borrowings and an international term loan; (2) fund the acquisition of Brown Printing Company; and (3) for general corporate purposes.

April 14, 2014

 \geqslant

USA Today: Three decades ago, April 15 was like a marathon national block party. As millions of Americans swarmed post offices to file their tax returns at the eleventh hour, vendors handed out free coffee, IRS representatives were on hand to provide advice, and jazz bands sometimes set the mood. Lines lingered for hours, and branches stayed open past midnight to accommodate the overflow crowds. But those days have faded into the realm of archaic, pre-Internet traditions; the yearly ritual of fingering through rumpled receipts and W2s has gradually experienced its digital awakening. This year, electronic filings are expected to reach 85% of total tax returns, "a new American record."

BBC: A very important date passed at the weekend - the end of the 180-day "lock-up" agreed by the government when it privatised the first chunk of the Royal Mail last October. The agreement meant that the coalition was prevented from selling any more of its stake until 13 April - yesterday. Now the deadline has expired, two things are happening: the share price is softening, because of the possibility of a future sale (called an overhang) and parts of the government are wondering how soon it might be politically possible to sell its remaining 30% stake. Senior figures in the Conservative Party are keen to get on with it as soon as possible.

EXAMPLE 2: The lock-up period blocking the UK government from selling its remaining stake in Royal Mail Plc expired on Sunday. The government pledged to retain its near 30 percent stake in the company for 180 days after the start of unconditional trading, but with this period now over, the state is now free to sell its holding. The expiration has raised some concerns as releasing more shares on the market could impact the Royal Mail share price, which has already experienced a significant decline this year.

Miami Herald: Miami-based UPS Americas — 25 years old this year — is intensifying its efforts in Latin America, seeking to build on the company's record of success. By investing in new facilities and increasing its services to companies of all sizes, it hopes to ride the tide of increasing international trade and expanding emerging markets, perhaps especially in the medical field. This division of United Parcel Service is the largest single cargo carrier at Miami International Airport, and it is already a powerhouse: It has nearly 9,000 employees in Latin America and the Caribbean, including 598 in Miami; operates 142 flight segments daily; and has more than 900 ground delivery vehicles. (United Parcel Service in the United States is a separate division.) Last year, UPS moved almost 225,000 tons of domestic and international air cargo at MIA, and it also handles UPS package and cargo business in Canada.

April 13, 2014



<u>Dead Tree Edition</u>: Partly because of a shift to lower-paid employees, the U.S. Postal Service experienced a rare improvement in its business last year, according to a Postal Regulatory Commission analysis. But the PRC warned that USPS is still on shaky ground – losing money for the seventh year in a row, short on cash, and unable to borrow money or invest in new equipment. In other words, the good ship Postal

Service is still sinking, but it's not taking on quite as much water as it used to.

Magic City Morning Star: Congressman Mike Michaud is calling on Speaker John Boehner to prioritize legislation that would promote the stability and sustainability of the U.S. Postal Service (USPS). Rep. Michaud has sent a letter to the Speaker urging him to take action following the April recess. If Speaker Boehner refuses to act, postal facility hours will be cut, service standards will be reduced, and thousands of postal jobs will be lost. "The House cannot afford to delay again in fixing the Postal Service. Congress needs to approve constructive and comprehensive postal reform legislation before the end of 2014. That is why I ask that you bring postal reform legislation to the House floor as soon as Congress returns from April recess. Since the early days of our nation, the Postal Service has been a vital part of America, and Congress needs to implement adequate reform so that it can continue to surge ahead."

April 12, 2014

Business2Community: Services like TowerData's Email Append allow you to grow an email list by as much as 25% by matching email addresses to postal addresses you already have. Email Intelligence services can fill in other informational gaps in your list, such as age, gender, size of family and home owner status, or, for a business list,

position/job title, sales volume, number of employees and years in business.

From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products,	

20931 [2014–08225]	[TEXT] [PDF]
Postal Contract Amendments,	
20932–20933 [2014–08226]	[TEXT] [PDF]
20931–20932 [2014–08227]	[TEXT] [PDF]

Delivering for America: This week, Jim Sauber, Chief of Staff to the President of the National Association of Letter Carriers, joined other leaders to discuss Postal Service issues at the Postal Vision 2020/4.0 conference in Washington, DC. At the conference, Sauber discussed the last-mile mail network and the promise of a stronger, more innovative future for the Postal Service.

Second Reveal: Royal Mail has called on the UK postal regulator to launch an immediate investigation into the growing competition from rivals TNT Post UK. The company was responding yesterday to the launch of regulator Ofcom's review into its pricing proposals for downstream access mail. The newly-privatised universal postal service provider in Britain said Ofcom should complete its review into proposed discounts that would encourage business mailers not to use TNT Post UK's services "as quickly as possible" in order to avoid a "period of uncertainty" within the UK postal market. At the same time, Royal Mail demanded that Ofcom launch a fresh probe into the growing presence of TNT Post UK in the UK's last mile of postal delivery.

Direct Marketing News: What's present in every household and business in the nation but remains an enigma to Americans? The mail. This riddle is keenly relevant among pure-play digital marketers unaware that response rates to direct mail are typically 200 times that of email. But it's also true among consumers, who retain some surprising assumptions and notions about the U.S. Postal Service.

<u>4-Traders</u>: To capture the potential for growing the market for postal financial services, Posts must be open, forward-looking and innovative. "While postal financial services have been around for more than a century, they can still provide a large revenue stream for Posts," said UPU Director General Bishar A. Hussein at a recent UPU forum organized prior to the Postal Operations Council in April. He called on public postal operators to boost their bottom line through a business area that also brings many social benefits. "Postal financial services can facilitate national economic growth and financial inclusion, as well alleviate poverty and provide a lifeline to many migrants," he said.

<u>The Globe and Mail</u>: The fallout from the controversial stock market flotation of Royal Mail has reopened a rift between the bank and independent advisers who run such deals.

April 11, 2014

Direct Marketing News: Postal Regulatory Commission Chairman Ruth Goldway has criticized the U.S. Postal Service for moving ahead with a new load-leveling plan for presort mailers, alleging that the Post Office is insensitive to the needs of both senders and recipients of mail. The PRC had issued an advisory opinion on March 17 to delay the move that USPS management—as was its right—chose to ignore.



Matt Swain of InfoTrends tweeting live from PV2020:

* Here is a link to the <u>@USPSOIG</u> research I presented this morning at PostalVision2020: <u>http://goo.gl/qdwukj</u> <u>@PV2020</u>

[EdNote: Get this! Read this!]

* Brody Buhler of <u>@Accenture</u> shares research findings at the <u>@PV2020 4.0 conference</u> pic.twitter.com/3RrQXh7bpc

* In that focus on solving problems of today, we might be missing an opportunity to solve the problems of the future - Kent Smith <u>@PV2020</u>

* Enhancing the Value of Mail for Digital Natives panel just kicking off <u>@pv2020</u> led by IG Williams <u>@USPSOIG</u> pic.twitter.com/jdsJ1Ovbwi

* Now a <u>@blippar</u> presentaton from Genna Sankin <u>@pv2020</u> on how they have supported <u>@USPS</u> w/<u>#AugmentedReality</u> holiday cards

* Digital natives love catalogs, but not having to go somewhere else to make the purchase - Thresher on augmented reality <u>@pv2020</u> <u>@OIGUSPS</u>

* A frequent speaker <u>@pv2020</u>, Marshall Van Alstyne (<u>@InfoEcon</u>) is now discussing "Saving Posts by Making Money" <u>#pv2020</u>

* Even my grandmother, with no mobile phone, would love to use her Kindle to #interact with mail - Van Alstyne <a>@pv2020 <a>@InfoEcon

Franker and Carlos

* Matt Swain <u>@SwainfoTrends</u> presents the OIG Focus Group Findings at <u>@PV2020</u> <u>#postalpathways</u>
* Brody Buhler of <u>@Accenture</u> shares research findings at the <u>@PV2020</u> 4.0 conference <u>pic.twitter.com/3RrQXh7bpc</u>

* Genna Sankin of <u>@blippar</u> shows off new technology in digital connections with direct mail at <u>@PV2020</u> <u>#postalpathways pic.twitter.com/VTWaBewqSL</u>

The latest issue of the <u>PostCom Bulletin</u> is available online. In this issue:

- On April 8, the House Committee on Oversight and Government Reform held a hearing on the President's 2015 budget regarding the U.S. Postal Service. Brian Deese, Deputy Director, Office of Management and Budget was the only witness.
- As we went to press, PostalVision 2020/4.0, "Pathways to a New Postal Paradigm," had just concluded the first day of its two-day event held in Washington, D.C. Attendees not only heard about future delivery ideas and directions from the USPS, the PRC, the NALC, and esteemed panels, but also the latest innovations from a variety of new entrepreneurs as well as established innovators. We got a view of a new twist on the traditional cardboard box, heard about the challenges of global delivery, and discussed consumer delivery preferences. And yes, the drones were among us...
- Rolando: Postal Service needs real reform. Republicans, White House finally agree on something: Postal Reform. Zumbox to shutter its operations. Netflix DVD-mailer rate upheld by U.S. appellate court. GCA and NRLCA call for meaningful reform. Uber to launch bike-courier service. QuadGraphics to acquire Brown Printing Company. The real reason postal workers don't trust Paul Ryan. Amazon launches Amazon Dash for delivery of groceries, household items. Postal Service is profitable, doesn't need to cut services. Amazon rolls out Sunday deliveries, tests carrier drones.
- Announcements from the U.S. Postal Service
- Federal Register Updates
- Office of the Inspector General Updates
- International postal news
- Postal previews

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us</u> by email your name, company, company title, postal and email address. Get a chance to see what you've been missing.



VOffice of the Inspector General:

• <u>Revenue Opportunities for Innovative Mail Services.</u> The Postal Service business and results of operations are significantly affected by competition and substitute products provided by electronic communication. Pending legislation would require a comprehensive innovation strategy for improving the financial position of the Postal Service through innovation, including new postal and non- postal services.

Also under consideration in Congress is a mandate that stipulates customer discounts for presorting and handling will not exceed cost savings to the Postal Service from avoiding such activities.

- Facility Repairs and Alterations Process. The Postal Service has a national contract with EMCOR Group, Inc. for facility repairs and alterations costing less than \$25,000. Under the contract terms, EMCOR uses its project management tool, the Facilities Knowledge Center (FKC), to manage and complete repairs. Project managers at Postal Service facilities contact the FKC to obtain a broad range of services, including electrical, plumbing and heating, ventilation and air conditioning, fire and life safety, and security system repairs and alterations.
- Impact of Reporting Certain Assets and Liabilities. Certain Postal Service liabilities have fluctuated significantly in dollar amounts in recent years, though not entirely from Postal Service operations. Specifically: * Long-term workers' compensation liability has risen steadily and sharply from \$9.1 billion as of September 30, 2009, to \$16.2 billion as of September 30, 2012, declining to \$15.9 billion as of September 30, 2013. * Deferred revenue-prepaid postage rose from \$2.4 billion as of September 30, 2009, to \$4.0 billion as of September 30, 2012, then fell to \$3.0 billion as of September 30, 2013.

E<u>eCommerceBytes</u>: For all the dismal news that has been surrounding the U.S. Postal Service over the past few years, the agency has one distinctive feature that separates it from every other government entity: the personal touch. The sprawling, nationwide infrastructure of the USPS has come to be seen by many as a liability at a time when the agency is bleeding red ink and mailing volumes continue to decline. But that network, and the human connections it facilitates, might be the Postal Service's most valuable feature, according to Ruth Goldway, the chairman of the Postal Regulatory Commission, a regulatory body. "The port's greatest asset is that they're the only structural agency, system, network in



regulatory body. "The post's greatest asset is that they're the only structural agency, system, network, in most countries that goes to everybody's home five or six days a week. Now why would you want to do cluster boxes in every community and give up that personal connection?" Goldway said in a speech here at the the PostalVision 2020 conference.

Forbes: "FedEx Express Saver" is NOT valid for filing of a Tax Court Petition (or Tax Return).

WKRB: Royal Mail PLC stock had its "overweight" rating reiterated by JPMorgan Chase & Co. in a research note issued on Friday, American Banking & Market News reports. A number of other firms have also recently commented on RMG. Analysts at Deutsche Bank initiated coverage on shares of Royal Mail PLC in a research note on Friday, April 4th. They set a "hold" rating.

From the Federal Register:

Postal Service	
NOTICES	
Privacy Act; System of Records,	
20249–20250 [2014–08091]	[TEXT] [PDF]
Product Change:	
Priority Mail Negotiated Service Agreement,	1

W*USA9: When you order delivery, something online from Ebay.com or a pizza from up the street, part if not all of that delivery is made on the ground, driven to you by a person. Matthew Sweeny, founder and CEO of Flirtey, an unmanned aircraft company in Australia, sees a different road for the future. "I think we're very rapidly moving in a direction where this technology will become ubiquitous and seeing unmanned aircraft or Flirteys making deliveries will be no different to seeing a UPS courier on the street," he said after a presentation at Postal Vision 2020, a business conference in D.C. that aims to reinvent the landscape of the postal business. The unmanned aircraft that Sweeny is talking about are not the drones that you may be thinking of - instruments of warfare, taking off from military installations, spying on and attacking enemies. Sweeny stresses that these would be instruments of commerce, delivering food or goods to your home or directly to you wherever you are. The drones would be able to locate you through the GPS program on your smart phone device. "They take off with the goods that you've

purchased online, fly at an altitude that's below commercial airspace so there's very low risk of them colliding with commercial aircraft and then they lower the package to your location," Sweeny said.

Direct Marketing News: If there's one thing that postal workers unions and mailers can agree on, it's that, when it comes to the U.S. Postal Service, Congress is clueless. "There's very little thinking going on in Congress [about the Postal Service], in general," Jim Sauber, chief of staff of the National Association of Letter Carriers (NALC), told a group of international postal stakeholders today. Not only is the union in favor or reamortizing the Postal Service's prefunding commitment to the retiree's health benefit funds, but it's in solid agreement with direct mailers and catalogers on the power of the individual mailbox. Addressing the Postal Vision 2020 conference in Washington, he said that the union's mission to save jobs for its members goes hand-in-hand with its commitment to help make the Post Office a more valuable proposition for mailers and consumers going forward.

<u>IWeekly</u>: Hackers in a coordinated cyber attack on Israel briefly brought down the websites of the country's postal service and Education Ministry on April 7.



<u>Dead Tree Edition</u>: Brown may have had a true competitive advantage for awhile in the tabloid magazine market that was dominated by trade publications. Colleagues describe an unusual configuration of its press folders (there's that German engineering at work) that enabled Brown to run magazine-formatted and tabloid- formatted pages on the same press. Combined with Brown's expertise in producing small-

circulation weekly magazines (many of the tabloid trade magazines were weeklies) and its infrastructure for delivering them, Brown seemed to have a sizable market share in the niche. Then came the droop test. USPS instituted regulations in 2010 penalizing flat mail that wasn't stiff enough to be handled efficiently by sorting machines. In advances of the new regulations, B2B publishers rushed to transform their tabloids to the shorter, less droop-prone magazine format. Rising postage rates, a challenging advertising market, and improvements in browser-based magazine formats have meant continuing declines in B2B print orders.

The Register: In the letter, which was published on Thursday, Bezos took investors "on a tour that samples a small subset of [Amazon's] various initiatives". What this makes clear is that Amazon is less a retailer and more a logistics organization dedicated to moving physical goods and digital bits in as many ways and as efficiently as possible.

Wall Street Journal: After seven years and more than \$30 million in funding from investors including former chiefs of Walt Disney Co., Priceline.com Inc. and others, digital post service Zumbox Inc. is calling it quits.

April 10, 2014



At the Postal Regulatory Commission:

ACR2013 Analysis of United States Postal Service Financial Results and 10-K Statement for Fiscal Year 2013 (Revised April 10, 2014) <u>http://www.prc.gov/docs/89/89576/2013 Financial Analysis Report.pdf</u>

Exact Company: To better deliver products to customers, Amazon, named one of Fast Company's Most Innovative Companies in retail, has partnered with the U.S. Postal Service to offer Sunday deliveries in some cities. In China and India, it hired bike couriers to deliver packages in major metropolitan areas. Most interesting of all, the e-commerce company is testing the drone deliveries Bezos first alluded to in a 60 Minutes interview back in December. He said the company has flight tested its fifth- and sixth-generation drones and is in the midst of designing its seventh- and eighth-generation crafts.

Solution of the Inspector General: **Revenue Opportunities for Innovative Mail Services.** The Postal Service business and results of operations are significantly affected by competition and substitute products provided by electronic communication. Pending legislation would require a comprehensive innovation strategy for improving the financial position of the Postal Service through innovation, including new postal and non-postal services. Also under

consideration in Congress is a mandate that stipulates customer discounts for presorting and handling will not exceed cost savings to the Postal Service from avoiding such activities.

EAccording to USPS CMO Nagisa Manabe speaking at Postal Vision 2020, the Postal Service now believes that living within the framework of a CPI cap is just fine.



Matt Swain @SwainfoTrends (Tweeting Live from PV2020):

* <u>@matternet</u> co-founder and CEO <u>@andreasx</u> asking $\frac{\#pv2020}{pv2020}$ attendees to consider drone delivery as leapfrog tech in developing countries

* 86% of what <u>#Amazon</u> is transporting is <5lbs - builds the case for UAVs <u>@andreasx</u> <u>@matternet</u> <u>#pv2020</u>

* To transport a 2kg package over 20km, total cost is \$0.24, energy cost is only \$0.04 - <u>#fascinating @matternet</u> <u>#pv2020</u>

* Autonomous vehicles will fly fixed routes to drop points, so airspace will be cleared $\frac{\#pv2020}{@matternet}$ $\frac{\#pv2020}{@matternet}$

* <u>@matternet</u> co-founder and CEO <u>@andreasx</u> asking $\frac{\#pv2020}{pv2020}$ attendees to consider drone delivery as leapfrog tech in developing countries

* Despite a -4.7% growth rate mail remains profitable, driving a higher EBIT than non-mail - Andre Pharand <u>@Accenture</u>

* "Digital as a philosophy makes sense. Digital as a product does not." - Andre Pharand @Accenture

* PRC Chairman Goldway taking a strong stance at $\frac{\#pv2020}{pv2020}$ against reduction of delivery days and a shift to cluster boxes

* Chairman Goldway cites that these cost reduction initiatives are counter to the USPS mantra of "customer focused" $\frac{\mu v^2}{200}$

* PRC Chairman Goldway on drones - "I bet they turn out to be toys for wealthy people" <u>#notbuyingintoit #pv2020</u>

* In 2013, the average delivery point got 1,036 pieces of mail - Larry Buc, SLS <u>#pv2020</u>

- * "We believe this network can be expanded to SEVEN day delivery." Jim Sauber, @NALC National #pv2020
- * Stop thinking about the cost factor & recognize it as an asset." Jim Sauber, @NALC_National #pv2020
- * "We think we can be the essential public utility for the eCommerce age." <u>Jim Sauber, @NALC_National</u> #pv2020

* <u>#USPS</u> is updating its #mobile app - goal is to enable consumers to do via mobile that they can do in the post office - Manabe $\frac{\text{#pv2020}}{\text{Pv2020}}$

* Nagisa Manabe, CSMO <u>@USPS</u> discusses the mailbox of the future <u>@pv2020 pic.twitter.com/QUdrAHEHFn</u>

* Nagisa Manabe of the <u>@USPS</u> presents a vision of the future at <u>@PV2020</u> <u>#postalpathways</u> <u>pic.twitter.com/GQSC4p6K1W</u>

* Regarding 1st class rate increases: "if we just take CPI increases from here on out, we're OK with that." - Manabe <u>#USPS #pv2020</u>

* "I see 3D printing as more of a prototyping tool than a manufacturing tool." Chris Anderson <u>@chr1sa</u> <u>@PV2020</u> <u>@3DRobotics</u>

* Matthew Sweeny co-founder of <u>@Fly_Flirtey</u> on now with his drone at $\frac{\#pv2020 \text{ pic.twitter.com/QME7wFBV94}}{Pv2020 \text{ pic.twitter.com/QME7wFBV94}}$

* The vision for <u>@Fly_Flirtey</u> is that UAVs would deliver to the GPS location of the recipient's phone <u>#pv2020</u>
* Engineering students @cooperunion now sharing their concept of The Rapid Packing Container - Sample here:

* Engineering students <u>@cooperunion</u> now snaring their concept of The Rapid Packing Container - Sample here: <u>http://goo.gl/BZcE25 #pv2020</u>

* Great design, especially since The Rapid Packing Container is fully reversible for reuse - <u>@cooperunion</u> <u>@PV2020</u>

* Last session today is <u>@Ship2MyID</u> at $\frac{\#pv2020}{pv2020}$ - interesting concept to connect physical & digital worlds while maintaining privacy

* "Our prediction by 2020 is that mailing addresses will be obsolete." - @Ship2MyID @PV2020

Times Newsweekly: Robert Holden, JPCA president, railed over the United States Postal Service's (USPS) slow delivery of the organization's quarterly magazine, The Juniper Berry. He stated the March/April issue was sent to subscribers on Mar. 20, but approximately a week later, many residents claimed their issues had not arrived. Members experienced similar problems back in December, Holden said, when subscribers received the magazine about nine days after the organization mailed them out. The all-volunteer publication includes news, commentaries

and notices of upcoming meetings. Noting a drop in attendance at last Thursday's session, Holden reasoned that members who had not received their magazine +must not have known about that night's meeting.

Air Cargo World: Mail parcel volumes, growing because of e-commerce, are creating further challenges for pending advance data filing regulations, secretary general of The International Air Cargo Association (TIACA) said. The new regulations would require individual shipment information to be submitted to destination regulatory agencies in advance of transportation, rather than the present Customs' requirement for information prior to arrival at the port of entry, Douglas Brittin told the Universal Postal Union (UPU)'s Postal Security Group, a meeting of postal organizations. The air cargo industry and postal operators need to continue working closely with customs and civil aviation security regulators to ensure new data submission regulations and screening protocols are standardized,

Brittin said at the meeting in Bern, Switzerland.

USPS Full-Service Intelligent Mail Outreach Program. Join the Association for Postal Commerce for a FREE webinar as Arlene Zisow, USPS Business Mail Support, Headquarters presents a comprehensive session about the Full-Service program including: Benefits, getting started, performance monitoring, and reporting. This will be a great forum for you to ask questions related to any aspect of Full-Service and the reporting of data. Register now by clicking below: Tue, Apr 15, 2014 2:00 PM - 3:30 PM EDT Once registered you will receive an email confirming your registration with information you need to join the Webinar.

EFox Business: Amazon plans to roll out Sunday delivery to a "large portion" of the U.S. population this year. The company also said Thursday that it has started to flight test its fifth- and sixth-generation carrier drones. Its next two generations are currently in the design phase. Amazon in December unveiled its Prime Air unit that would focus on building out an aerial delivery service through drones. The goal of the project is to get packages into customers' hands in 30 minutes or less using small unmanned aircraft. The Seattle-based tech giant has warned that it will take "some number of years" to advance the technology enough and acquire the necessary FAA approvals before they can be put into commercial use.

Live from PV2020

* PostalVision2020 @PV2020 Brian Bieron of @ebayinc presents @PV2020 about the future of global e-commerce #postalpathways pic.twitter.com/pQqYg0cj9o

* Cross Border E-Commerce is being examined @PV2020 by Steve Rifai of <u>@Endicia</u>, Richard Li of <u>@4PX_WrldWideExp</u> and more #PostalPathways

Wall Street Journal: AT&T said on Thursday it is in advanced talks to bring speeds of up to one gigabit per second to six North Carolina cities, or about 10 times the current fastest options. Google



in February said it was eyeing North Carolina among dozens of municipalities where it wanted to expand its fiber network. The build-out brings more competition into services that have long been dominated by cable operators that have proven reluctant to ramp up Internet speeds.

WTKR: A backlog of mail at Chicago's O'Hare International Airport is causing mail sent to service members stationed in Europe, Africa, and Southwest Asia to be delayed

Con the Wight: Isle of Wight NHS make savings on paper and postage costs by going paperless.

CNN: "Using tablets to reach kids with autism"

Sys-Con Media: A report by BBC London last night (Tuesday) alleged that over 200 letters were found dumped in north west London with the postmark bearing the name of delivery company TNT Post. The report said that a local resident had contacted the company to notify them that the letters were there but no action was taken to collect them and deliver them.

BrookhavenPost: U.S. Rep. John Lewis will present replica of the Congressional Gold Medal to one such hero; Tuskegee Airman Harry Rock. Over the span of two years, Rock served the WWII effort in a myriad of roles ranging from Medical Basic to Basic Training Quartermaster, until honorable discharge in 1945. He transitioned into **long-standing careers with the United States Postal Service** and Sanford Realty, tucking away his life as a soldier–as many others did.

Marshfield News Herald: "The Postal Service's financial picture is sharply improving. Its fiscal year 2014 first quarter report showed \$1.1 billion in profit exclusive of the congressional mandate to pre-fund future retiree benefits. "The facts are, 80 percent of the \$46 billion in net losses since 2007 resulted from (the Postal Accountability and Enhancement Act)," Rolando said. USPS' own annual report showed total assets of \$439 billion including benefits, and had an operating profit of \$623 billion in 2013. [EdNote: If that's the case, everyone should get over this "let's bake in the exigency increase," "let's give the Governors more ratemaking authority," and the "we can't live within inflation" nonsense and get on with reforms of FERS and CSRS pre-funding."

Post & Parcel: Electronic postal mail service Digital Post Australia has said it is "business as usual" despite the closure of one of the two companies behind it. The private sector service competing against Australia Post in the attempt to offer Australians a viable secure digital alternative to paper-based letter mail was a joint venture between financial communications firm Computershare and US digital mail provider Zumbox. However, Los Angeles-based Zumbox informed its US account holders earlier this month that it will close after five years of business. The company said the "time and cost" of delivering its digital mail vision were "more than the market is prepared to invest". Last night Digital Post Australia told Post&Parcel that it will be operating as normal, aware of the plan for Zumbox to close.

Telecompaper: Swedish postal and telecoms regulator PTS said e-commerce is expanding markedly but the volume of letters sent by traditional mail is falling. According to its report 'Service and Competition 2014 – the Postal Market in Sweden', there was a 17 percent rise in electronic commerce from 2012 to 2013, compared with a 2 percent growth in the retail trade as a whole. This rise in e-commerce has led to an increase in the number of small packages sent by traditional mail, although PTS expects a growth in dispatches of larger packages and bigger letters, too.

Post & Parcel: FedEx Express has opened a new North Pacific Regional Hub in Osaka, Japan, and a new national hub in Mexico. The express delivery giant said its new hub at Kansai International Airport will serve as a consolidation and transshipment point for shipments between the United States and Asia. The new facility in Cuatitlán Izcalli in the State of Mexico will be the "centrepiece" of domestic operations for FedEx Express in Mexico.

INDUSTRYALERT As announced in the March 5 Federal Register Final Rule the Postal

As announced in the March 5 Federal Register Final Rule the Postal Service is revising Destination Sectional Center Facility (DSCF) Standard Mail service standards which allow the "load leveling" of mail volumes. This change will allow a more balanced distribution of DSCF Standard Mail across delivery days. For those DSCF Standard Mail pieces entered on Friday or Saturday, the Postal Service is changing the current three-day delivery expectation to a four-day delivery expectation. And for pieces entered at the SCF in San Juan, PR and destined for the U.S. Virgin Islands, as well as all DSCF entry pieces destined for American Samoa, the delivery expectation for pieces entered on Friday or Saturday would change from four days to five days. This change will not affect service standards for First-Class Mail or Periodicals. USPS is not proposing any other changes in its service standards at this time. Implementation of the revised rules begins April 10. For more information, please visit the Important Updates section on the <u>USPS RIBBS</u> website.

San Ramon Express: Unionized workers Wednesday afternoon are planning to protest what they call the privatization of the U.S. Postal Service. According to the American Postal Workers Union, Staples has a deal to operate postal counters at more than 80 of its office-supply stores. They also say the U.S. Postmaster General would like to expand this plan to a total of 1,500 stores. Last month, Staples announced it will close 225 North American stores in 2015 amid declining sales.

Voxy: The Government's decision to rush through changes to New Zealand Post's Deed of Understanding has opened the door to privatisation and job cuts, says the union for postal workers. New Zealand Post yesterday signalled their intent to begin looking for third-party providers of PostShop services. "This decision will inevitably lead to lower wages and poorer customer service," says Joe Gallagher, EPMU postal industry organiser. "It's another step down the ladder for Kiwi workers and their families, who the government tells us should be benefiting from a 'rock star economy'. "We call on New Zealand Post to ensure that any contracting out of PostShops guarantees fair wages and conditions for postal workers, and won't compromise this core public service."

April 9, 2014

Baynews9: On Saturday, May 10, residents across America will be asked to join the U.S. Postal Service and its letter carriers to combat one of the nation's growing problems – hunger – by leaving food at their mailboxes. This one-day food drive is the nation's largest single-day food drive across America, and this year marks the 22nd anniversary of the National Association of Letter Carriers Stamp Out Hunger Food Drive in Partnership with the U.S. Postal Service, Campbell Soup, Feeding America and other sponsors. Currently, 49 million Americans -- or 1 in 6 -- are unsure where their next meal is coming from, and 16 million are children who feel hunger's impact on their overall health and ability to perform in school. Nearly 5 million seniors over age 60 are food insecure, with many who live on fixed incomes often too embarrassed to ask for help. In 2013, 74 million pounds of food was collected by Postal carriers nationally, feeding an estimated 30 million people. Over the course of the 21-year history, the Stamp Out Hunger Food Drive has collected well over one billion pounds of food.

Bloomberg Businessweek: Representatives from the Obama administration can usually expect a chilly reception, at best, when they testify before U.S. Representative Darrell Issa (R-Calif.) and his fellow Republicans on the House oversight committee. But Brian Deese, deputy director of the White House Office of Management and Budget, got just the opposite on Tuesday. Deese appeared before the committee to discuss the president's postal reform proposals in his 2015 budget. Rather than attack, Issa and company emphasized how the White House plan harmonizes with their own effort to fix the troubled USPS, which reported a \$5 billion loss last year. The House Republicans are especially agreeable when it comes to ending Saturday letter delivery. "The administration's proposal includes giving [the Postal Service] the authority to move to five-day delivery," Deese testified. "It's our belief that this needs to be part of a comprehensive and balanced plan." Some Democrats and their allies in postal union circles have made the dubious argument that the prefunding requirement is the primary cause of USPS's fiscal troubles. If eliminated, they contend, the agency's fiscal woes would largely be over. That's not how the White House or the Republican oversight committee members see it. They fear that the USPS, which has lost more than 25 percent of its volume since 2008, might eventually need a taxpayer-funded bailout to make good on its long-term obligations.

Wall Street Journal: UPS, one of the earliest adopters of business analytics, is moving to a new dynamic package routing program which will save the company tens of millions each year in fuel costs. "UPS executives don't necessarily view Big Data as new," Guest Columnist Thomas H. Davenport writes, "but they do view it as providing revolutionary benefits through evolutionary implementation."

International Business Times: Royal Mail said Ofcom would create a period of uncertainty in the UK postal market because of its investigation into planned price rises.



<u>National Association of Letter Carriers</u>: *NALC President Frederic Rolando --* "Congress should focus on unchaining USPS from the retiree health pre-funding burden—which is required of no other public or private entity—and freeing the agency to grow and innovate. Discussing job-killing proposals that degrade or dismantle our invaluable postal networks is not the conversation we should be having. It's time to move

forward with innovative solutions that allow the Postal Service to evolve and use its established network to serve the nation's communication and e-commerce needs. It's time to start thinking about how we bolster service for tens of millions of businesses and households that have come to rely on door-to- door delivery, six days a week. It's time to discuss how to position the Postal Service to build successful partnerships with more American businesses, like Amazon has in moving toward seven-day delivery. It's no longer 2009

Government Executive: A key proponent of overhauling the U.S. Postal Service on Tuesday vowed to introduce a new reform bill in the coming weeks, promising to work more closely with the White House in hopes of encouraging more bipartisan support. That support, however, remains far from guaranteed, detractors made clear during a committee hearing. All the minority party committee members made clear their opposition to many of the cuts put forward by both the White House and their Republican colleagues. Rep. Gerry Connolly, D-Va., for example, noted he has 210 co-sponsors on a measure that would require the Postal Service to maintain six- day mail delivery. "Good luck in trying to persuade Democrats into five day," Connolly told Deese.

InfoTrends: As of next Monday, April 14th, Zumbox will be shuttering its operations. "After more than five years of working to revolutionize the way mail is delivered, we have made the very difficult decision to shut down the company. All of us at Zumbox, along with our partners and the mailing community, remain committed to the concept of digital postal mail and have great confidence this capability will one day be the way you receive and manage your postal mail. However, at this point, the time and cost required to deliver on the vision is more than the market is prepared to invest. As a result, the Digital Postal Mail site will be taken down shortly." What Zumbox and other digital mailbox services are trying to achieve in a market as fragmented as the U.S. is extremely difficult and it is unlikely that any are profitable today. Consumers will not use the service without relevant business content (unless there is a chance to win \$1M), and businesses will not partner unless the service has consumers. Without the governmental support—or mandates—that some services outside of the U.S. benefit from, digital mailbox services are tasked with building their own traction...often by scraping the content from business websites. Some have executed this task better than others, while still others never even made it to market.

Fierce Government: A House chairman presiding over the committee with main jurisdiction over postal reform endorsed most of President Obama's plan to overhaul the beleaguered agency. House Oversight and Government Affairs Committee Chairman Darrell Issa (R-Calif.), who has long been pushing his own version of postal reform, said he would "embrace to the greatest extent possible" Obama's plan for the USPS during an April 8 hearing. Read more: Issa embraces Obama postal reform proposal

EXA: UK Mail forecast higher annual revenues, but warned that 2014 was likely to be a transitional year for the parcel and mail carrier. UK Mail expects quarterly group revenue to rise about 6%, which should fuel a 7% increase in total reported annual revenue. Total underlying revenue should rise about 5%.

Motley Fool: Louisville, known as UPS's Worldport, serves as the main distribution hub for all of the company's air package delivery. The facility is immensely important to UPS's business, but Local 89, the union in Louisville, has already voted down its contract twice. The union has now voted a third time, and the votes are to be tallied by April 10. If the contract is voted down a third time, which Local 89 has recommended its members to do, the union can then move to vote for a strike.

April 8, 2014

Financial Post: A U.S. agency ruling that equalized rates for flat DVDs and first class letters was upheld by an appeals court in a case spawned by favorable treatment for Netflix Inc., the largest provider of subscription DVDs by mail. Equalizing the rates ended discrimination against companies such as GameFly Inc., the video-game rent-by-mail service, according to a ruling by three-judge panel of the U.S. Court of Appeals in Washington. GameFly previously had to use a more expensive flat-package rate to avoid damage to DVDs while Netflix's were sorted by hand at lower prices, the court said. GameFly sued the Postal Regulatory Commission, the agency that oversees the U.S. Postal Service, in 2011, challenging its response to allegations that postal authorities were giving Netflix special treatment. GameFly won an appeals court order to the commission to change its policies on the DVD mailers. Tuesday, the court upheld the commission, 13-1229, U.S. Court of Appeals, District of Columbia, (Washington).

Northumberland View: Canada Post has shut down over 1700 rural post offices since the 1980s. In spite of a 1994 moratorium on rural closures, the shutdowns are continuing right up to the present. A new survey of 1635 mayors, reeves and band chiefs, where a post office has been closed, documents the effects on communities. While

some communities saw their federally run post office replaced with a franchise outlet, 53% of communities have no postal outlet of any kind. The closures of post offices are signalled out by many respondents as "another nail in the coffin of rural Canada". Some 24% of communities expressed very high levels of dissatisfaction with present postal service.

Testimony Of <u>Brian C. Deese</u> Deputy Director Office Of Management And Budget Before House Committee On Oversight And Government Reform.

"The proposals in the Administration's FY 2015 Budget seek to provide a responsible path to future viability focusing on four key principles:

- First, the proposal provides the Postal Service with near-term financial relief, largely through the restructuring of some key retiree liabilities, to avoid destabilizing or draconian near-term measures that could undermine the Postal Service's core strengths.
- Second, the proposal provides the Postal Service with flexibility to adjust to changing consumer demand, including the authority to gradually reduce mail delivery frequency to five days and to shift to centralized and curbside delivery where feasible.
- Third, the proposal gives the Postal Service flexibility to generate additional revenue over the long-term by allowing it to enter into partnership agreements with State and local governments, ship wine and beer, subject to regulations, and extend the exigent rate increases currently in effect.
- Fourth, the proposal seeks to make these reforms in a manner that improves the quality of services and strengthens the institution of the Postal Service for the American people, including in rural America, while at the same time protecting American taxpayers."

Herald Online: The Greeting Card Association (GCA) and the National Rural Letter Carriers' Association (NRLCA) issued the following joint statement calling for meaningful reforms to strengthen the Postal Service, and condemning proposals that would cut essential services, such as six-day delivery:

"The GCA and NRLCA strongly oppose Congress' constant attempts to eliminate essential services such as six-day delivery," said Rafe Morrissey, GCA Vice President of Postal Affairs. "This action would only serve to place a competitive disadvantage on the Postal Service and do nothing to fix the organization's financial problems. Additionally, the estimated savings assumed by proponents of these cuts are inflated and unrealistic, as they fail to factor in the costs of continued weekend parcel delivery. The Postal Service is in need of true reform, not shortsighted cuts that would fail to solve current budgetary problems and diminish the agency's ability to provide universal services relied upon by millions of Americans."

"The NRLCA and its members are proud to stand alongside the Greeting Card Association in support of six-day mail delivery," said Jeanette Dwyer, President of the National Rural Letter Carriers' Association. "Americans nationwide have come to rely on the ability to send and receive mail on Saturdays, and the success of Sunday parcel delivery shows that there is increasing demand for delivery services. As the Postal Service looks to grow and thrive in the 21st century, scaling back delivery services is a misguided step backward that sends the wrong message to the Postal Service's customers and partners."

AllVoices: House Oversight and Government Reform Committee Chairman Darrell Issa (R-CA) has good news and bad news. The good news is that Issa's House Oversight Committee will meet in full session today and none of the three following subjects, favorites of Issa, will not be on the agenda: Obamacare, Benghazi and the IRS (that will have to wait until Thursday of this week). The bad news is that Issa is taking aim again on the United States Postal Service, and continuing his "war on the United States Postal Service."

Post & Parcel: Spain's national postal operator Correos has rebranded its express parcels business as Correos Express. The division previously known as Chronoexprés is being maintained as a separate and independent company within the Correos Group, the company said. The change of name aims to give the company a "modern, dynamic and accessible" image providing innovative products adapted for the new demands of consumers.

Post & Parcel: Polish people living outside their native country can now send international mail digitally, for conversion into physical letters and postcards prior to final delivery in Poland. The new service comes within the Envelo digital mail platform developed by Polish Post in response to customer demand for an interactive and mobile online postage system. Customers based outside Poland are also able to use the Envelo service to send mail to people in Poland, offering guaranteed delivery to any location in Poland from PLN 1.99 (EUR 0.48) per item. The company said through Envelo its domestic customers can also send letters and postcards by Polish Post services to any address in the world.

Nelson Star: Southern Interior MP Alex Atamanenko is sounding the alarm over reductions to mail service in his riding, but Canada Post insists the changes will have limited impact on customers. Atamanenko wrote to Lisa Raitt, the minister responsible, in late March expressing "grave concerns" about cuts to local post offices, including the elimination of Saturday service in several rural communities. "These changes threaten jobs, limit access to the post office for my constituents and reduce Canada Post staff morale," he wrote, citing several examples.

Daily Record: Thousands of Scots are being hit with huge delivery fees because bungling firms regularly class mainland towns and cities as offshore, it was revealed yesterday. A report by Citizens Advice Scotland has discovered that 15,000 businesses – including in locations such as Fort William and Inverness – have been penalised by unfair charges in a delivery postcode lottery. Many people on mainland Scotland were classed as living on islands by delivery firms, with the crippling charges leaving many struggling small firms unable to afford to buy stock. Of almost 250 firms who took part, more than 90 per cent said they were charged extra to have items delivered just because of their postcode.

<u>The State Register-Journal</u>: FedEx plans to nearly double package-processing capacity at its ground-shipping center on the north end of Springfield this year.

Wall Street Journal: Got stuff to deliver? A new way to send and receive items is emerging in Manhattan, courtesy of Uber, which is expected to launch a bike-courier service that will allow users to flag couriers to schedule pickups and deliveries using a smartphone app. A job listing on Craiglist tipped off online news site VentureBeat earlier to this development. According to the listing, Uber will pay \$20 an hour or more for "on-demand deliveries." Uber will provide the couriers with an iPhone 4S to receive pickup requests from nearby customers. Other news outlets, including CNBC, also reported the launch of the Uber service on Tuesday. Uber posted its own announcement later; it noted that messengers will only make deliveries within Manhattan below 110th Street to start.

Business Wire: Quad/Graphics, Inc. ("Quad/Graphics") and Brown Printing Company ("Brown") today jointly announced a definitive agreement whereby Quad/Graphics will acquire Brown, which serves premier publishers and catalogers with printing, distribution and integrated media solutions. The acquisition will enhance Quad/Graphics' position as a leader in the printing industry.

Post & Parcel: Irish parcel carrier Nightline Group is increasing the automation of its network in partnership with logistics technology specialist Postea. The company delivering about 12m parcels a year at present says the investment will improve the speed, accuracy and quality of its services. Nightline has begun using the QubeVu scanning system from the US-based technology firm, which automatically measures the size and weight of anything from postcards to parcels, as well as capturing a range of data including barcode and labeling information through optical character recognition (OCR) technology. The system has already been implemented in Nightline's Dublin depot to support the Group's network of self-service parcel locker terminals, Parcel Motel.

The Republic: Federal officials say two former U.S. Postal workers from Maryville have admitted to lying to collect government benefits by falsely claiming that one of the pair was so injured she couldn't work. Federal

Prosecutors in the U.S. Attorney's office in Knoxville say the couple was caught after video captured the two taking a cruise, waking for hours at a time at different ports, followed by a trip to Disneyland.

Examiner: If you want to find out how much a particular Postal Service employee makes in a yearly salary, can that be done? FedSmith.com announced on its website on April 7 that it has updated the individual employee salary information for Postal Service employees.

Bloomberg Businessweek: Paul Ryan (R-Wis.), chairman of the House Budget Committee, has weathered plenty of criticism since he released his proposed 2015 budget on April 1. Some of the most spirited attacks have come from, of all people, U.S. postal workers. American Postal Workers Union President Mark Dimondstein zeroed in on a section of the document titled "Reform the Postal Service." He calls it "a thinly veiled attempt to plunder the Postal Service—to slash service, cut workers' benefits, and render our great national treasure ripe for privatization." That's a bit of an overreaction. Ryan's "Path to Prosperity" recites the standard Republican line on the USPS—that the agency needs to be restructured because it can't afford the annual \$5 billion payment it owes the U.S. Treasury to prefund its future retirees' health benefits. The Ryan budget would, among other things, require postal employees to pay a greater portion of their government-subsidized health care and life insurance. Dimondstein offers a theory, often repeated in union circles, that both the 2006 law requiring the retirement prefunding and the Ryan budget's unwillingness to eliminate it are part of an elaborate scheme to weaken the Postal Service so many of its operations can be privatized.

April 7, 2014

American Postal Workers Union: The Postal Service and Staples are working overtime to keep the details of their sweetheart deal a secret, but a hearing before the National Labor Relations Board — and documents the USPS was forced to provide to the APWU — have revealed some disturbing truths.

Ederal Times: Timing is a crucial factor when it comes to deciding when to retire. It is also important when it comes to how older workers perceive their retirements. In fact, research has shown that retiring sooner than expected makes older workers two times more likely to perceive their retirements as being forced, compared to those who retire on time. With the positive perception of a retirement largely riding on when federal employees retire, they must not let agencies get away with forcing them to leave the federal civil service before the time that is right for them. This is one freedom federal employees do not want to lose, because the quality of their golden years may hinge on it.

Edsmith: "Service" is part of the name of the U.S. Postal Service (USPS). In a Post Office in Miramar Beach, Florida on March 31, a sign was displayed at the service counter that read: "I can only please one person per day. Today is not your day. TOMORROW doesn't look good EITHER." One might think that displaying a sign for the public to see is an indication service is not a high priority—or even a concern of the employee or USPS management that, presumably, allowed the sign at a service counter.

WRAL: Something inside a package may have ignited a small fire at the main postal distribution center in Raleigh early Monday, authorities said.

Business Wire: Quad/Graphics, Inc. ("Quad/Graphics" or the "Company"), today announced it is reaffirming its 2014 annual guidance for net sales, Adjusted EBITDA and Free Cash Flow.

The Nation: Raja Muhammad Bilal, president of Postal Workers Union, has warned that postal employees may go on strike against stoppage of fuel allowance to postmen and resultantly services in the federal capital may face disturbance. According to union officials, after 30 per cent reduction in postal department budget from the government, postal officials have stopped paying fuel charges to the postmen. He said that postmen in Islamabad have been paying fuel charges from their own pockets for the last many months. Moreover, the house hiring facility of the staff has also been stopped. Bilal in a statement issued here on Sunday warned if the allowance was not resumed immediately, employees would go on strike.

Post & Parcel: Deutsche Post DHL will become the 18th member of the IPC Bag Pool as of May 2014, following the signature of the agreement on 19 March 2014. Deutsche Post will International **Post** be using the pool of standardised IPC bags for its registered mail, E-format and letter Corporation packet mail of maximum 2 kg, such as e-commerce products. The new volumes coming from the German market will most probably contribute to expand the operational capacity

of the pool, with a forecasted increase in the number of routes and bags exchanged between the Pool members, which, in 2013, amounted to some 700,000 bags.

Financial News: The Royal Mail Pensions Trustees, who oversee the postal group's pension schemes, have hired an investment expert from consultancy JLT to run the group's £100 million defined- contribution scheme, in an unusual move for the industry.

The Guardian: Vince Cable has been recalled by MPs to give further evidence on the privatisation of Royal Mail following a damning National Audit Office report that found the government had cost taxpayers £750m in a single day by massively undervaluing the postal service. The business secretary will be called before the business select committee on 29 April to answer claims that he botched the sale and allowed City traders to make huge instant profits at the expense of taxpayers.

New York Daily News: It's the mystery of the missing magazines. Dozens of copies of the Juniper Berry, a glossy publication of the Juniper Park Civic Association, never got delivered to subscribers' mailboxes last week, irked readers said. Those that did were badly mangled, and in many cases, only the cover of the 88-page magazine was delivered. "We put a lot of work into the magazine," said Robert Holden, president of the Juniper Park Civic Association, who first noticed the mailing snafu sometime last week. "Volunteers write it and deliver it. Somebody had to discard our mail, which is a federal crime." Holden said he mailed 1,400 copies of the Berry on March 24 to paid members of the civic group and other readers. But he's been flooded with calls from loyal readers who didn't receive their copies or can't read the pieces that were delivered by mail carriers. Even editor Lorraine Sciulli received a torn copy — in a plastic bag with a "We Care" sticker affixed from the postal service.

April 6, 2014

Reuters: Amazon.com Inc launched a new product named Amazon Dash on Friday that allows the user to add groceries and household goods to their shopping lists using the company's AmazonFresh service. A black-and-white hand-held wand-shaped remote-control features a microphone, speaker as well as a bar-code reader and links directly to the user's AmazonFresh account. However, the device is available only for users of the AmazonFresh which currently operates exclusively in Southern California, San Francisco and Seattle.

******* STV: The postal service in an independent Scotland may need to increase charges for customers or rely on government subsidies, the Tories have warned. Conservatives fear SNP plans to renationalise the Royal Mail if there is a Yes vote in September's independence referendum could lead to higher costs and a poorer service. First Minister Alex Salmond has already vowed that if Scotland leaves the UK and he is in power he will "bring the Royal Mail, our postal service, back into public ownership".

Business Insider: "Here's The Story Behind The Strike That Got 250 UPS Workers Fired"

Express: The former state-owned postal operator, which critics say the -Government sold on the cheap, has welcomed privatisation as a way to compete more flexibly with rivals. But it claims it is working with one arm tied behind its back because less heavily regulated - competitors are cherry-picking the juiciest parts of its business. The group, led by chief executive Moya Greene, is urging industry regulator Ofcom to shake up the market to eliminate what it says are rivals' unfair advantages.

April 5, 2014

B2BMarketing: A really important component of marketing is where you actually market the products or services. Your products basically need to leave from where they are manufactured and reach customers that make purchases. Marketing and logistics have to work together in order for that client to be efficiently serviced.

Government Executive: The federal government lost more than 10,000 jobs in March, continuing a downward trend in the size of the civilian workforce over the past two years. About 1,200 of the job losses last month were at the U.S. Postal Service, according to the latest figures from the Bureau of Labor Statistics, while the rest of the federal government lost about 9,000. Uncle Sam has cut 85,000 jobs in the past 12 months. Overall, the U.S. economy added 192,000 jobs in March, and the unemployment rate remained unchanged at 6.7 percent. The federal government ended the month with just more than 2.7 million civilian employees, including USPS workers.

Pittsburgh Post-Gazette: Where's Jerry Seinfeld when you need him? In a classic episode of "Seinfeld," he takes over postal employee Newman's mail route and manages to deliver the mail to nearly 80 percent of customers. "Nobody's ever cracked the 50 percent barrier!" an aghast Newman complains. Out on Kinsman Road in Point Breeze, it seems, they'd be happy with the 50 percent for as spotty as they say their mail service has been lately. Some 30 households in that neighborhood say they have been complaining for several months now about not getting their mail. Sometimes it comes, sometimes it doesn't. They say they've not received bills, checks, magazines, letters.

Wall Street Journal: How would FedEx Corp.know its customers were shipping millions of cigarettes? One clue was the name of a merchant authorities allege used FedEx to ship 94 tons of untaxed tobacco into New York State: Cigarettes Direct To You. The question is at the heart of New York State's \$235 million lawsuit against FedEx. The suit filed by New York State Attorney General Eric Schneiderman this week, alleges the company illegally shipped 80 million untaxed cigarettes for smugglers from 2006 to 2012.

Trinidad Express: Trinidad and Tobago Postal Corporation (TTPost) workers are refusing to use 50 new motorcycles purchased for them because they said it was the wrong type of vehicle normally used for the job. The new vehicles were "clutch-driven" and not designed for the kind of delivery that was required.

April 4, 2014

Global Post: Japan Post plans to triple the number of post offices with convenience stores operated by Lawson Inc. to 100 by 2016 from the current 33, company officials said Friday. Japan Post Co., a subsidiary of state-owned Japan Post Holdings Co., will also consider scrapping some of the 221 contract post offices which have been temporarily closed under the postal privatization scheme since 2007, the officials said.

The Contractor's Perspective: Is mail dead? Let's ask Google, the ubiquitous source of all things online. This should be a lay-up on the home court of those who would say yes. And guess what. The top ten results for a Google search of "Is mail dead?" produces seven articles on why e-mail is dead, two unrelated articles, and one article on why direct mail is not dead. The primary reason that mail will not die is that it still works.

ZAttention Postal One! Users:

- **PostalOne!® Release 37.2 Deployment-** This release repairs known issues in PostalOne!® and also includes database maintenance activities. The deployment will occur during the scheduled maintenance window of 4:00 a.m. CT through 8:00 a.m. CT on Sunday, April 6, 2014. There will be an outage during the maintenance release, i.e. the application will be unavailable. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 37.2 can be found on https://ribbs.usps.gov/intelligentmail_schedule2014/releaseoverview2014.cfm.
- **PostalOne! Release 37.2 Deployment to Test Environment for Mailers** (TEM) will occur also on Sunday, April 6, 2014, TEM will be unavailable from 4:00 a.m. CT thru 10:00 a.m. CT.

Global Post: Ukraine's post office has asked its foreign counterparts to stop sending it mail destined for breakaway Crimea because it can no longer deliver it, the Universal Postal Union said Friday. The Swiss-based UPU

said postal service Ukrposhta had told it the ongoing crisis in the region had created "difficulties delivering postal items" to Crimea, which was taken over by Russia last month. "Ukrposhta therefore asks the designated operators of UPU member countries to suspend the dispatching to Ukraine of any international postal items addressed to the Crimea," it said in a statement. The Black Sea peninsula has been the subject of a geopolitical tug-of-war since massive protests by pro-European Ukrainians ousted pro-Moscow president Viktor Yanukovych in February. Crimea then voted to split from Ukraine and was taken over by Russia, which argued it needed to protect the rights of the peninsula's majority Russian-speaking population. Ukraine says the separatist referendum and annexation violated international law, and the moves have been widely condemned by the international community.

<u>On the Record: Greta Van Susteren</u>: "'It is still a crime': US Postmaster General, Greta face off over government credit card abuse charges against postal workers."

AllAfrica.com: In an age when many opt for the email and other instantaneous communication systems, the postal services appear still to remain very relevant in Namibia. The future of the local postal services sector was given more backing on Monday when the Minister of Information and Communication Technology, Joël Kaapanda, announced in parliament that Nampost would open five new post offices later this year. The planned opening of new post offices will bring to 141 the number of post offices scattered across the country.

Office of the Inspector General: "Enhancing the Value of Mail Follow Up: Discussion Forum Recap" --"Although mail still elicits a strong emotional response, people are beginning to expect more than a static advertising experience. Mailpieces can connect recipients with ways to purchase products or services; mailpieces can also work seamlessly with other vehicles to promote the brand. Most importantly, marketers and mailers can take simple steps to increase the impact of their mailpieces. These and other points were established in a recent forum discussion hosted by the Postal Service Office of Inspector General (OIG) with marketing and mail industry leaders. Highlights of the forum are detailed in a new paper just released by the OIG."

The Forum: City and state officials fired back against the United Parcel Service's firing of 20 Queens drivers this week by threatening to cut contracts that save the company tons of cash. The delivery service notified 250 of its workers of their pending termination last month and passed out its first 20 pink slips on Monday, with potentially more to follow. City Public Advocate Letitia James helped lead a booming rally on the steps of City Hall Thursday morning in protest of the company's actions, which a UPS spokesman said came in reaction to workers walking off the job in February to support a fired co-worker. James stood alongside several city and state officials, including City Councilwoman Elizabeth Crowley (D-Middle Village), City Councilman Rory Lancman (D-Fresh Meadows), City Comptroller Scott Stringer and state Sen. Tony Avella (D-Bayside), who used the platform as a reminder to UPS that the company saves millions of dollars each year through various contracts and parking breaks, which they threatened to have revoked. "We will not stand by idly when New York City workers are being mistreated," James said. "They must come to the table and revoke these terminations."

The latest issue of the **PostCom Bulletin** is available online. In this issue:

- USPS FULL-SERVICE INTELLIGENT MAIL OUTREACH PROGRAM Reserve your webinar seat now: <u>https://www1.gotomeeting.com/register/282619417</u> Join the Association for Postal Commerce for a FREE webinar on Tuesday, April 15 from 2:00-3:00 PM EDT, as Arlene Zisow, USPS Business Mail Support, Headquarters presents a comprehensive session about the Full-Service program including: Benefits, getting started, performance monitoring, and reporting. This will be a great forum for you to ask questions related to any aspect of Full-Service and the reporting of data.
- The Postal Regulatory Commission has issued its Annual Compliance Determination. The Commission found that 18 of the 42 workshare discount were not in compliance with Section 3622(e), of which 15 of those 18 the USPS did not propose statutory exception therefore the Commission found them out of compliance. It also found that four competitive products did not cover attributable costs and did not comply with the law: Parcel Return Service Contract 4, International Priority Airmail (IPA), International Air Parcel Post (at non-Universal Postal Union (UPU) rates), and International Money Transfer Service Outbound. The Commission ordered the Postal Service to take corrective action. Concerning Standard Mail

Flats, the Commission finds that progress is being made toward addressing the issues raised by the Commission in the FY 2010 ACD. As a result, no further remedial action is required at this time. For Periodicals, in the FY 2014 ACR, the Postal Service must provide a detailed analysis of the progress made in improving Periodicals cost coverage.

- The Postal Service published its unaudited February results with the Postal Regulatory Commission. USPS lost \$381 million in February 2014. The Postal Service's controllable operating INCOME for the month was \$166 million.
- According to the USPS Inspector General, "On average, the underserved spend almost a tenth of their income on interest and fees. To put that into perspective, that's about the same portion of income that the average American spends on food. The Postal Service could add a much-needed element of trust to that market, serving as a place where everyday people could turn to get transparent financial products that won't break the bank."
- New hires mean more 'return to sender' mail. Want a job? Delivery, or protect. Why Gmail and other email services aren't really free. Direct Mail's dynamic duo gird for a fight on the Senate floor. Based on a falsehood, Ryan budget would plunder USPS. Postal Service dragging its feet on fixing periodicals. Johnson introduces legislation to name a post office. House GOP budget would cut compensation for postal workers. PBSA Survey from MTAC User Group #5 due April 8, 2014. Undervaluing Royal Mail shares costs taxpayer 750m in one day.
- Announcements of postal related filing in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news
- Postal previews.

Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? <u>Send us</u> <u>by email</u> your name, company, company title, postal and email address. Get a chance to see what you've been missing.



The PostCom Bulletin is distributed via NetGram



<u>American Postal Workers Union</u>: Postal Support Employees should beware of management's latest ploy, union leaders are warning: Beginning in April, the Postal

Service plans to ask non-career employees to take Voice of the Employee (VOE) surveys. Management is after a lot more than meets the eye, according to APWU Executive Vice President Debby Szeredy. "What management won't tell you is that historically the USPS has used the Voice of the Employee data against workers at the negotiating table," she said. The surveys have been a point of contention between the USPS and APWU since 1998, when management first cited survey data during bargaining; the APWU National Executive Board responded by adopting a resolution opposing "the use of surveys, focus groups, polls, audits, as a means of interviewing employees and union officials to evaluate job-related and internal issues."

April 3, 2014

The Wall Street Journal: Italy will continue with its planned privatization of Poste Italiane SpA and aviation authority ENAV SpA, but selling off the state railway is "anachronistic," the country's transport minister said Wednesday.

Postalnews Blog: A message to all employees of the United States Postal Service from Postmaster General Patrick R. Donahoe.

<u>U.S. News</u>: Attorney General Eric Holder said during a Senate Appropriations Committee hearing Thursday that a surprising number of people use the U.S. Postal Service to ship illegal drugs. "The postal service, the mails are being used to facilitate drug dealing," Holder said. "It is shocking to see the amount of drugs that get pumped into

communities all around this country through our mail system, and we have to deal with that." The nation's top lawenforcement official was responding to questions from Sen. Lisa Murkowski, R-Alaska, who said remote communities in her state were flush with drugs, including heroin and synthetic substances.



Chicago Tribune: Deutsche Post is no longer accepting letters bound for Crimea after its Ukrainian counterpart told the Geneva-based Universal Postal Union (UPU) that delivery to the region was no longer guaranteed, the German postal company said on Thursday. A Deutsche Post spokesman said that Ukraine's advisory to the UPU after Russia's annexation of Crimea also affects delivery of parcels and packages sent via the traditional postal networks of both countries.

By unanimous vote, the Association for Postal Commerce Executive Committee voted unanimously (in behalf of the PostCom board) to award long-time PostCom board member **Joe Lubenow Director-Emeritus** status in recognition of his extraordinary work at the Universal Postal Union on the development of comprehensive postcode systems for posts around the world.

Financial Times: Russia's shoppers are buying more goods online than ever before. E-retail sales have grown at a rate of around 26 per cent a year and 57 per cent of non-grocery retail spending is now made online. This may seem odd for a nation that prefers to pay in cash and doesn't have a reliable postal service, both typically important for e-retail. Attitudes to other payment methods are changing, however, and some home grown businesses have adapted their approach to suit Russian preferences. The number of Russian households with internet access exceeded those without for the first time in 2013, according to a report by PwC. Home internet penetration is projected to grow to 68 per cent by 2017, reaching 38m households. More significantly, the number of people with mobile internet is increasing. In 2013, 41 per cent of respondents of PwC's survey said that they use their mobile phone for shopping. About 61m people in Russia (43 per cent of the population) have mobile internet, which is expected to rise to 100m by 2017. But while consumers in Russia may be happy to buy online, they often prefer to pay in cash.

Post & Parcel: New Zealand Post has sold its social media website business Localist for an undisclosed sum, understood to be in the region of \$8m (\$6.82m USD). The postal operator said it sold the subsidiary to a group led by Localist's chief executive, Christine Domecq. Localist was launched in 2011 to provide information on local businesses in the Auckland area, including consumer-produced reviews. It launched into Wellington last year, with plans for a national roll out in 2013/14. The company started looking for a investment partner for the project in October 2012, to help accelerate the website's growth. Yesterday New Zealand Post said selling Localist was part of its strategy to focus on the core business.

The Crimson White: In the state of Alabama, many individuals resort to payday and title loan dealers to pay off regular expenses. Sixty-nine percent of first- time borrowers are taking out a payday loan for regular expenses such as rent, utilities and food. They often become trapped in a cycle of having to pay off loans that can last well beyond the original 14- or 30-day borrowing period. The average borrower will be indebted five months out of the year. These loans have extremely high annual percentage rates, and companies mostly don't examine the debt-to-net income ratios. For a 30-day title loan, the APR is 300 percent, and for a 14-day payday loan, the APR is 456 percent. Almost half of the lenders are based outside of Alabama, so we do not receive the full benefit of their profits or taxes. A surprising way to solve these issues came up recently. A report by the USPS' inspector general was picked up by Sen. Elizabeth Warren, progressives and groups such as the public interest Appleseed Network, and it was

based on the idea of post office banks.

From the Federal Register: Postal Regulatory Commission PROPOSED RULES Periodic Reporting

(Proposals One through Two), 18661–18662 [2014–07399] [TEXT] [PDF]

Government Executive: The House Republican budget considered in committee Wednesday would require U.S. Postal Service employees to pay more for health care, using that reform and others to save \$19 billion over 10 years. Rep. Paul Ryan, R-Wis., targeted USPS employees in his budget blueprint as part of a larger effort to find cuts through the federal workforce. Ryan's plan would also impose pension contribution hikes on all federal employees and reduce the size of the workforce through attrition measures. Ryan pointed to the Postal Service's large unfunded liabilities and continued losses to justify the need for reductions at the agency.

April 2, 2014





From <u>Sen. Ron Johnson</u>: S. 2185: A bill to designate the facility of the United States Postal Service located at 123 South 9th Street in De Pere, Wisconsin, as the "Corporal Justin D. Ross Post Office Building". [EdNote: Well, he's learned how to name a post office. Let's hope he can learn how to save the post office AND the private sector's businesses that drive postal commerce AND actually pay for the nation's universal mail delivery system.]

Reuters: Deutsche Post, the world's biggest postal and logistics group, is betting on emerging markets and an ecommerce boom to boost profits through 2020, it said on Wednesday in unveiling its new medium- term financial targets. The company, which grew into a global logistics conglomerate after going public in 2000, forecast its annual operating profit would increase by an average of more than 8 percent annually through 2020, driven mainly by its DHL logistics businesses. See also <u>Bloomberg</u>.

The Telegraph: David Cameron has accused Ed Miliband of attacking the sale of Royal Mail because he is "paid by the trade unions". The Prime Minister said the sale of Royal Mail was a cause for "celebration" because it had generated £2 billion for the Exchequer and granted shares to thousands of postal workers. He said Labour had criticised the sale on the orders of trade unions that donate to the Labour Party.

The Cap Times: The U.S. Postal Service has been a favorite whipping boy in recent years of many Republicans in Congress. Congressman Darrell Issa, the scorched-earth California Republican who chairs the House Oversight and Government Reform Committee, is quite open about his determination to end the USPS as Americans have come to know it. He and many of his GOP colleagues believe the service is too expensive, that its practice of delivering mail to every American address — residential or commercial — six days a week needs to be cut back so that it can relieve itself of a good share of its employees, who account for about 80 percent of expenses. What the anti-post office politicians probably don't know is that the U.S. Postal Service has long been and still is a major employer of American veterans.

Source of the Inspector General: "Readiness for Package Growth – Customer Service Operations

Management Advisory Report'' -- "Customer Service Operations has successfully managed periods of package growth, employee workhours, and scan rates at delivery units. However, opportunities exist to enhance readiness by improving acceptance scan rates, decreasing customer wait time in line during the holiday mailing season, enabling the Passive Adaptive Scanning System revenue-protection function, and reducing the number of non-barcoded packages to provide end-to-end tracking for customers. Overcoming these challenges could improve the Postal Service's competitiveness in the package business."

AsiaOne: The Infocomm Development Authority of Singapore (IDA) has imposed a financial penalty of \$30,000 on SingPost Ltd for a breach of its Public Postal Licence condition. IDA had investigated into the incident of missing mail on 5 September 2013 at Woodlands Circle and found SingPost in breach of its licence which requires it to establish, maintain and comply with measures and procedures to ensure that the risk of loss, theft and damage to letters is minimised.

BusinessLife: Jersey Post will be amending its postal rates with effect from Wednesday 23rd April 2014. In the first rise for two years, the changes will see a penny increase for local and UK Letters of less than 100g. At the same time, small packet rates will remain static or are being reduced, which it's hoped will assist small and micro businesses. The key rates will be Local Letter (up to 100g) at 46p (from 45p in 2012/2013) and UK, IOM and Other CI Letter (up to 100g) at 56p (from 55p in 2012/2013). The price increases reflect three key pressures: (1) The impact of cost increases over the last two years, including those implemented by Royal Mail. (2) The removal of Low Value Consignment Relief (LVCR) for products exported from the Island. Jersey Post continues to achieve efficiency savings where possible but the effect on the company following the loss of LVCR has been dramatic. Sales are nearly 50% lower than two years ago, some £30 million less. (3) The continuing financial impact of falling letter mail volumes coupled with an increasing number of households to deliver to.

Post & Parcel: The Dutch postal regulator has launched an investigation into competition concerns within the unsorted business mail market in the Netherlands. Changes to the 2009 Postal Act, which came into effect in January this year, have given the Consumer and Markets Authority (ACM) increased powers to intercede in the postal market if it believes competition is being unnecessarily restricted. The regulator held a public consultation exercise in January and February to seek views on whether there were problems in the Dutch postal market.

<u>Dead Tree Edition</u>: Postal officials, who frequently complain about losing money on Periodicals mail, bear much of the blame for that loss, according to the Postal Regulatory Commission. "The Commission is increasingly concerned that the Postal Service's Periodicals pricing strategy is leading to inefficient mailer preparation," the commission wrote recently in its review of 2013 postal rates, echoing a complaint that magazines have been making for the past decade. "The inefficient pricing signals being sent by the Postal Service's prices prevent the Postal Service from maximizing contribution from Periodicals. Further, the inefficient price signals are increasingly creating winners and losers within the Periodicals class." **Postal officials never have offered a plausible explanation for the USPS's allegedly escalating costs for handling Periodicals.**

THE POSTAL WORLD AWAITS

The U.S. Postal Service (USPS) at the National Postal Forum (NPF) provided session attendees with highlights of its soon to be published "2014 Strategic Guide for Flats Planning." The Guide will outline the USPS' strategies to "increase the profitability of flats, both for the USPS and for industry users." Attendees were told: The USPS strategies focus on product growth, service

The USPS strategies focus on product growth, service improvement, and cost reduction/efficiency improvement.

Ŷ

From the Federal Register: Postal Regulatory Commission *NOTICES* Meetings; Sunshine Act, 18590 [2014–07452] [TEXT] [PDF]

ELos Angeles Times: David C. Williams, USPS OIG -- Drive through the dilapidated main strip in Terry, Miss., and it's easy to see that the town of 1,063 is a hardscrabble place. And last month, life there got harder when the last bank branch in town closed, leaving in the lurch residents who have long depended on it as a convenient place to manage their money. The same thing is happening in countless other small towns and inner-city neighborhoods across the country, which have been left behind as banks adjust to new financial realities by shuttering branches by the thousands. The vast majority of the closures have hit poor areas, and residents are often left having to rely on other types of costly financial services. But these towns and neighborhoods all still have one beloved asset: a post

office. And if ideas my agency outlined in a recent report come to fruition, those post offices could offer residents basic, affordable financial services, including prepaid cards, check cashing, bill payments and perhaps even small advances.

Solomon Star: Solomon Islands Postal Corporation violated the Universal Postal Union Convention when it temporarily closed its Auki office in Malaita. That's according to former deputy chief executive officer Sione Kelly. He said under the convention, Solomon Post is required to give a three-month notice to the public about closing its office before it could do so. "By failing to meet this requirement, Solomon Post has violated an international convention that every postal service organisation needs to adhere to." Mr Kelly said.

Wall Street Journal: Amazon.com has quietly rolled out a new service to let customers return unwanted merchandise using large metal lockers it has installed for deliveries in garages, convenience and grocery stores in major metropolitan areas.

American Postal Workers Union: The postal provisions in the budget proposed by Rep. Paul Ryan (R-WI) on April 1 are a "thinly-veiled attempt to plunder the Postal Service — to slash service, cut workers' benefits, and render our great national treasure ripe for privatization," said

APWU President Mark Dimondstein.

April 1, 2014 >

PR Newswire: The Postal Service has printed 100 additional sheets of stamps of the recently issued \$2 Inverted Jenny stamp but with the plane flying right-side up. These very limited edition stamps were circulated with the recent issue of stamps mimicking the most famous stamp error in U.S. history. Customers who purchased the new Inverted Jenny stamp could have a very limited edition of the famous stamp. Unique to this stamp issuance, all sheets were individually wrapped in a sealed envelope to recreate the excitement of finding an Inverted Jenny when opening the envelope and to avoid the possibility of discovering a corrected Jenny prior to purchase. "We are leveraging the incredible story behind the rare collectible as a creative way to generate interest in stamp collecting while highlighting the role the Post Office Department had in developing the commercial aviation industry," said Postmaster General Patrick Donahoe. Individuals purchasing 'corrected Jenny sheets' will find a congratulatory note inside the wrapping asking them to call a phone number to receive a certificate of acknowledgement signed by the Postmaster General.

Entrepreneur: There are many details that go into setting up a direct mail campaign. If you establish a set of procedures to follow for each mailing and use a checklist to guide you, scheduling your campaign can be much faster and easier than you think. Include the following items on your direct mail campaign

checklist....



Postal Technology International:

- UPS opens expanded US\$200m European air hub at Cologne Bonn Airport •
- Australia Post launches concession postage scheme following rise in basic rate •
- Parcelforce Worldwide launches interactive service to improve customer control over parcels •
- Integer.pl Group signs agreement with TNT Express to rollout parcel terminals in Italy •
- CitySprint acquires Network Logistics UK •
- PostNL appoints external consultancy Prime Competence for process optimisation •
- UK carriers will dispatch around 865 million online orders in 2014
- Canada Post teams with Thinkwrap to boost online shopping sales
 - TNT Post expands UK operations to Liverpool •

PostCom Members!! The latest issue of PostCom's Postal Executives Issues Update has been posted on this site.

The Guardian: Business secretary Vince Cable has refused to apologise over the government's privatisation of Royal Mail, despite a scathing report from the National Audit Office which said undervaluing the share sale cost the taxpayer £750m in a single day. In a lively debate in the House of Commons, Cable defended the controversial float last October, after coming under fire from shadow business secretary Chuka Umunna and other MPs. "The last thing I intend to do is apologise", Cable said. He insisted that the privatisation had been a "success" and that there had been a real risk that the flotation could have failed if the shares had been priced higher. "We've taken a lossmaking public enterprise and turned it into a successful public company," he added. He accused Labour itself of selling state assets off on the cheap.

Direct Marketing News: Mailers will be ecstatic to learn that, though they've found a new ally on HSGAC in Wisconsin Democrat Tammy Baldwin, Collins will be in the middle of the fray if and when the new Postal Reform Act of 2014 (PRA) hits the Senate floor in the coming months. Baldwin's proposed amendment to dump the bill's Section 301—which would make exigency permanent, adjust rates using CPI plus 1%, and remove rate-setting powers from PRC—was diverted by a "second degree" amendment that PRA drafters Tom Carper and Tom Coburn rammed through committee. Baldwin was not amused. She intends to fight it on the floor, and with Collins by her side.

Direct Marketing News: The Postal Service dispensed workshare discounts in 42 classes of mail last year in which the amount of the discount was greater than the operational cost savings realized, according the Postal Regulatory Commission's (PRC) Annual Compliance Determination Report. But while USPS had sufficient strategic grounds for the majority of these so-called passthroughs, PRC determined that 18 of them fell short of statutory compliance. The PRC's newly released Compliance report demands that some resolution of the Standard Flats issue be set in motion. "We're saying [the Postal Service] should address those areas that cause concerns with [its] financial situation," Goldway says. "The two areas we point out are giving away money in work-sharing and not covering costs, and in Standard Flats. Something has to change."

Post & Parcel: New Zealand Post has won a contract to provide delivery and supply chain services for the largest bricks-and-mortar electronics retailer in Australia and New Zealand. The deal is being operated in partnership with Australia Post, with New Zealand Post handling the New Zealand part of the arrangements so that Dick Smith can expand its business across Australasia. New Zealand Post will run the retailer's warehouse operation in South Auckland, with 21 employees transferring to the Post. The state-owned postal service will also take over distribution of products to 61 Dick Smith stores across New Zealand. It will also support the retailer's e-commerce activities, delivering items bought online direct to the consumer.

Office of the Inspector General: "Information Storage Security Audit Report" -- "The Data Management Services group did not manage the storage environment in accordance with Postal Service security requirements because its managers did not provide adequate oversight of the storage teams. They did not, for example, conduct periodic employee access reviews. The absence of proper security practices and training increases the likelihood of an adverse impact on Postal Service operations, such as an outage of a customer-dependent system. In addition, the Corporate Information Security Office did not provide guidance for storage environments as it has for operating systems, databases, and telecommunication security. Establishing minimum security expectations for storage environments can reduce the likelihood of critical system and application outages throughout Postal Service operations."

InsuranceNewsNet: More than 250 delegates from the United Nations family, including the World Customs Organization, the International Telecommunications Union and the United Nations Conference on Trade and Development, as well as leading e-tailers, e-commerce associations and Posts provided insight into the challenges of cross-border e-commerce, still in its infancy compared to domestic e-commerce. And the message was clear: to catch the wave, stakeholders must get in the game early and adopt a coordinated approach. "E-commerce needs networks that are efficient, intelligent and secure, and that requires the cooperation of all stakeholders," said UPU Director General Bishar A. Hussein. Anticipating the rise of e-commerce and trade and the need for simplified and integrated postal solutions, the UPU, at its 2012 Congress in Doha, created groups under its Postal Operations Council to deal with e-services and e-commerce and find solutions to main challenges facing postal operators and other stakeholders. The creation of an international merchandise return solution is in the works, among other activities.

City A.M.: What they saw in Royal Mail five months ago was a company with strong leadership that had been consistently growing profits (from £12m in the second half of 2011 to £144m a year later) and upping its presence in the lucrative parcels delivery market. The business case made sense; Royal Mail dominates the UK's letter and small parcel deliveries, and was handed much more freedom to raise prices following Ofcom reforms in 2012 – a point it proved yesterday when first class stamps jumped 2p to 62p and second class by 3p to 53p. It's also managed to avoid expensive strike action, and slashed outgoings further this month when it said it would cut a net 1,300 management jobs – a move it says will lead to annual cost savings of £50m. Five months on, analysts are split on the shares' value. Early buyers (and subsequent sellers) have made huge profits on their investments, but there's little to suggest that those who've stuck around don't have a decent, long-term income stock on their books.

Post & Parcel: Poste Italiane maintained its profits at just above the EUR 1bn mark in 2013, according to its latest results. The universal postal service provider in Italy said it achieved a "strong performance" last year despite a "highly uncertain" economic backdrop and the ongoing decline in the postal business, thanks to its strategy of diversifying its services. Financial services and insurance products helped the company generate a total revenue of EUR 26bn in 2013, up 8% on the previous year. Poste Italiane said the "substantial costs" of its universal postal service dragged down its results since these costs were only partly compensated by the government.

Daily Times: The Senate Standing Committee on Communication and Postal Services expressed its annoyance and displeasure on Monday over what it described as poor knowledge of the issues reflected in a seemingly dubious briefing given by the senior officials of the Pakistan Post and Post Foundation to the lawmakers.

The Times: The taxpayer has ended up more than £1 billion out of pocket in the privatisation of the Royal Mail after City investors ran rings around ministers who ended up significantly underpricing the state postal network's stock market flotation. That is the verdict today of a damning National Audit Office inquiry into the Royal Mail initial public offering last autumn which concludes that ministers should never again rely so heavily on their City advisers. Margaret Hodge, chairwoman of the Commons Public Accounts Committee, said the NAO report showed that Vince Cable's Business Department was "clueless". See also <u>The Guardian</u>, <u>The Wall Street Journal</u>, and <u>The Scotsman</u>.